DOCUMENT RESUME

ED 446 263 CE 080 876

AUTHOR	Kearns, Peter; Papadopoulos, George
TITLE	Building a Learning and Training Culture: The Experience of Five OECD Countries.
INSTITUTION	National Centre for Vocational Education Research, Leabrook (Australia).
SPONS AGENCY	Australian National Training Authority, Brisbane.
ISBN	ISBN-0-87397-626-6
PUB DATE	2000-00-00
NOTE	151p.
AVAILABLE FROM	National Centre for Vocational Education Research, 252 Kensington Road, Leabrook, South Australia 5068, Australia; Tel: 08 8333 8400, Fax: 08 8331 9211, E-mail: vet_req@ncver.edu.au; Web site: http://www.ncver.edu.au (ISBN: 0-87397-625-8 (print) $35.20 Australian). For full text: http://www.ncver.edu.au/cgi-bin/gda.pl?id=1634/research/proj/nr9015.pdf.
PUB TYPE	Reports - Evaluative (142)
EDRS PRICE	MF01/PC07 Plus Postage.
DESCRIPTORS	Access to Education; Developed Nations; Education Work Relationship; Educational Administration; *Educational Development; Foreign Countries; Government School Relationship; *Lifelong Learning; *Partnerships in Education; Policy Formation; *Public Policy; Technology; *Vocational Education
IDENTIFIERS	Australia; Germany; Great Britain; Netherlands; Sweden; United States

ABSTRACT

This study of policies, strategies, and practices designed to create a learning and training culture focuses on Britain, Germany, Sweden, the Netherlands, and the United States. Part I provides an overview of key contextual changes influencing development of policy for building a learning culture in the countries; sets out the approach adopted towards culture; indicates major themes in the interaction between contextual imperatives and culture in the countries; and gives an overview of general approaches to policy coordination as background to specific policies adopted. Part II analyzes two dominant themes in the general directions for policy in building a learning and training culture: building infrastructure, partnership, and community and developing active access strategies in a lifelong learning perspective. Part III focuses on five policy areas significant in national strategies to build a learning and training culture that relate to ensuring that foundations, incentives, information and marketing, role of technology, and private sector practices are linked. Part IV is a summary of main findings and implications for Australia that point to the need for a new phase in vocational education and training development that addresses the imperatives of the new economy, strengthens linkages between VET and other sectors of education and training, and has an overall demand-side orientation in policy. (Appendixes include 117 references and country overviews.) (YLB)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 446 263

Building a learning and training culture: The experience of five OECD countries

Peter Kearns

George Papadopoulos

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☒ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
● Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY
C. Dunk
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
1

NCVER

CE 080 876

BEST COPY AVAILABLE

© **Australian National Training Authority, 2000**

This work has been produced by the National Centre for Vocational Education Research (NCVER) with the assistance of funding provided by the Australian National Training Authority (ANTA). It is published by NCVER under licence from ANTA. Apart from any use permitted under the Copyright Act 1968, no part of this publication may be reported by any process without the written permission of NCVER Ltd. Requests should be made in writing to NCVER Ltd.

The views and opinions expressed in this document are those of the author/project team and do not necessarily reflect the views of the Australian National Training Authority.

ISBN 0 87397 625 8 print edition
0 87397 626 6 web edition
TD/TNC 63.05

Published by NCVER
ABN 87 007 967 311
252 Kensington Road, Leabrook SA 5068
PO Box 115, Kensington Park SA 5068, Australia
www.ncver.edu.au

Quality Endorsed Company

BEST COPY AVAILABLE

Contents

Executive summary *v*

Introduction *ix*

PART I: THE BROADER POLICY CONTEXT *1*

1 New contextual imperatives *3*
2 The influence of culture *10*
3 Approaches to policy co-ordination *18*

PART II: DIRECTIONS FOR POLICY *25*

4 Building infrastructure, partnership and community *27*
5 Developing active access strategies in a lifelong learning perspective *39*

PART III: POLICY TARGET AREAS AND INSTRUMENTS *49*

6 Foundations: Strategic areas and bottlenecks *51*
7 Incentives *60*
8 Information and marketing *68*
9 The key role of technology *75*
10 Private sector strategies and practices: New needs and new paradigms *84*

PART IV: CONCLUSIONS *95*

11 Main findings *97*
12 Implications for Australia *110*

References *123*

Appendices

1 The policy approach of Britain to building a learning and training culture *129*
2 The Swedish approach to building a learning culture *133*
3 The Netherlands way to building a learning and training culture *139*
4 Factors in the spread of continuing training in the European Union *145*

Executive summary

This study of the policies, strategies and practices in five Organisation for Economic Co-operation and Development (OECD) countries to build a learning and training culture was commissioned by the National Centre for Vocational Education and Research (NCVER), and was undertaken by Global Learning Services during 1999–2000. The countries selected for the study were Britain, United States of America, Sweden, Germany and the Netherlands.

The team found that the idea of culture is 'notoriously slippery and difficult to pin down' and decided to follow the pragmatic approach adopted by a recent British national advisory group which interpreted culture as:

> *That bundle of signs, symbols, beliefs, traditions, myths, way of thinking, speaking and doing which characterise the ways of life or behaviour of a given group of people.*[1]

Culture is pervasive in its influence, and is of growing significance in the knowledge-based new economy where values have a profound influence on the generation of new knowledge and the capability of firms for enterprise and innovation, and adapting to change. A key aspect of the study is a focus on the relationships of culture, the accumulation of social and human capital, enterprise, and innovation in a knowledge-based economy.

Overall, the study found that key contextual influences were driving policy towards strategies for lifelong learning and building a learning culture. While these included the impact of globalisation, new technologies, and changes in the workplace, a particular influence has been the exponential pace of change which is producing concern relating to skill shortages in the more dynamic industries in the United States, Britain and elsewhere.

This is leading to a growing interest in forging closer relationships between learning and skill formation and maintenance, and the development of innovative strategies to create symbiotic relationships. Strategies to build partnerships between stakeholders for ongoing learning were central to the innovative responses we found across all countries.

The impact of these forces is tending to redefine roles and relationships, and to lead to new forms of public–private partnerships. The current reforms in Britain, which are summarised in appendix 1, illustrate these developments.

However, policies for building a learning culture are not only focussed on economic objectives, but are also directed at key social, civic, cultural, and educational objectives. A key feature we observed were attempts to create stronger linkages between social, educational, and economic policy with more integrated, whole-of-government strategies a target of policy.

These broader social and civic policies were directed towards combating social division and polarisation ('the two-thirds society'), towards community regeneration, combating exclusion and mobilising civil society for these purposes. The goal of lifelong learning in the socio-economic context of the new economy is central to all of these objectives.

For these reasons, we observed a particular focus on policies designed to build partnerships between stakeholders at the local level in order to address these objectives. Infrastructure, incentives, information and marketing, and technology policies were being used to this end.

While Sweden, Germany and the Netherlands have developed local infrastructures for these objectives over a considerable period of time, there have been significant policy initiatives in both Britain and the United States over the past decade to develop local infrastructures to build collaboration and partnership. Chapter 4 of the report discusses these developments.

The interaction between culture, policy, and social and economic outcomes is illustrated by these developments. Sweden, the Netherlands, and Germany have developed a consensual policy culture with the active involvement of the social partners in the development of policy, and, for much of the recent past, consensus-based decision-making.

On the other hand, the policy culture and industrial relations of the Anglo-Saxon countries, Britain and the United States (and Australia) are substantially different so that recent efforts to use a range of policy instruments to build collaboration and partnership are particularly significant. The report discusses the range of innovative partnership models emerging in the United States and Britain: in Britain largely government-led and in the United States largely, but not exclusively, private initiatives. These differences reflect cultural and political differences between these countries.

In this context of change and transition, the report points to alternative models for building a learning and training culture:

- *the Nordic model* which is exemplified by Sweden, but also found in countries like Denmark and Finland, where development of a learning culture through evolutionary stages is deeply embedded in the wider social, economic, cultural and political history of the country. (Appendix 2 gives an overview of the Swedish approach)
- *the British model* where a revolutionary attempt is being made to change the culture and build a learning society through a comprehensive set of 'joined-up' policies and strategies. (Appendix 1 gives an overview of the British approach)
- *the American model* which is more market-driven and free-wheeling, characterised by substantial diversity in policy, strategies and outcomes, but with efforts to strengthen partnership development through infrastructure, information, marketing, incentive and other policies. The

American approach shows the complex interaction of the individualistic, entrepreneurial, and community-oriented traditions in American culture

While both Germany and the Netherlands are unique in their approach, they are closer to the Nordic approach than the Anglo-Saxon countries so that the three continental European countries may be considered as a group.

The report comments on significant recent policy developments in the countries studied. These developments include:

- the establishment of networks of Lifelong Learning Partnerships and Learning and Skills Councils in Britain
- the establishment of Workforce Investment Boards in the United States and the role of the *School-to-work act* in fostering partnership development
- the Adult Education Initiative in Sweden which is redefining the concept and role of adult education
- the Dutch 'knowledge debate' and development of a national policy for lifelong learning
- innovative uses of modern technologies including new forms of public–private partnership

Implications for Australia

The report considers the implications for Australia of the developments reviewed. A list of nine key implications is given at the start of chapter 12. A key issue identified is the absence of a local infrastructure to foster collaboration and partnership among stakeholders such as exists in each of the OECD countries studied, a lack which will impede Australia adapting to the skill and enterprise requirements of the new economy and forging the necessary links between learning, skill formation, enterprise and innovation. Building a local infrastructure for collaboration and partnership would also assist in mobilising civil society to address community regeneration needs and the broader spectrum of social, cultural, and educational issues resulting from the conditions of the new economy and new society.

Other issues identified include addressing exclusion and employability issues, and the role of school reform in ensuring foundations for lifelong learning. A core action agenda is proposed.

The major implications for Australia

The major implications of the study for Australia relate mainly to gaps in the policy framework rather than to current policies. This reflects the situation that demand-side policies are not sufficiently developed and there is no shared national vision of Australia as a learning society which could provide a national framework for concerted partnership action involving all stakeholders.

The following points highlight these major implications as identified in this report.

- Australia lacks infrastructure and related policies to build partnerships between stakeholders, in particular at a local level. There is a need for policies to mobilise civil society through partnership action.
- Because of this, connections between vocational education and training (VET) and economic and social policy are not sufficiently developed at a local level to foster national objectives such as building an innovation culture, regenerating country areas, and adapting to change. Britain and Sweden provide models of a different approach.
- Skill formation and learning strategies need to be integrated in response to the pace of change, the imperatives for lifelong learning, and the need to upgrade and maintain the skills of the existing workforce.
- There is an insufficient range of incentives to induce stakeholders (employers, individuals, communities) to invest in learning on a whole-of-life basis.
- These gaps in policy and vision impede adult education playing a more strategic role in opening pathways for lifelong learning and supporting the building of a learning culture.
- The role of intermediary bodies (industry associations, unions, group training companies etc.) needs to be strengthened in brokering partnerships and marketing learning. Few of these bodies are ambassadors for learning.
- Technology needs to be linked more closely to innovative learning strategies.
- There is an absence of a national framework, linked to economic and social policy, for the fight against exclusion.
- A whole-of-government approach is necessary to integrate all the strands required for building a just and competitive learning culture. A useful start can be made at the local level.

The gaps in the Australian policy framework for building a learning culture are made more significant by the absence of a shared national vision of Australia as a learning society such as is being promoted in Britain and other European Union countries.

Note

1 NAGCELL 1997, p.8.

Introduction

This study of policies, strategies and practices designed to create a learning and training culture is focussed on a selection of five OECD countries. These countries are Britain, Germany, Sweden, the Netherlands, and the United States of America.

The study addressed five principal questions, which in summary were:

1 What policies, strategies and practices have been adopted in these countries to build a learning and training culture?
2 What are the main characteristics of such a culture?
3 What is the relationship between training and learning in these countries and between policies and administrative arrangements directed at these objectives?
4 What are the roles and responsibilities of the key stakeholders?
5 What are the lessons of the study for Australia?

The study was undertaken by a team comprising:

❖ Peter Kearns	Managing Director Global Learning Services
❖ Dr George Papadopoulos	Formerly OECD Deputy Director responsible for education activities

We undertook consultations with key stakeholders in the five countries and are grateful for the considerable assistance we received. The analytical framework used in consultations is given in table 1.

We found that much of the policy development is very recent, so that little evaluation evidence was available on the outcome of the reforms, and in some areas little scholarly literature existed. For this reason much of our report is impressionistic. However certain dominant themes emerged in the study which we believe have significant implications for policy and practice in Australia.

Analytical framework of study

The framework adopted has also been carried over into the structure of the study so that all the policy categories of the framework are reflected in the chapters of the report. Our analysis suggested that two of these policy categories had assumed particular significance in the present context—infrastructure and access policies—for the reasons given in the report. These policy categories are linked in part II of the report as *Directions for policy*. In chapter 4, infrastructure has been linked with policies to build partnership and community.

Table 1: Analytical framework for study

Analytical framework	Some examples
Integrating policy and concerting action	Includes measures to develop overarching frameworks to integrate policy and concert action at various levels. This will include action to develop national and international frameworks for lifelong learning, as with the British Government's 1998 green paper, the European Union's 'Europe of knowledge', and the Netherlands 1997 'Lifelong learning: The Dutch initiative'; measures to link education/training and economic development, as in the practice of including human capital in investment policies and other measures in firms to link human resource development and commercial strategies; general approaches to strengthening action in order to foster a learning and training culture. Monitoring of progress is an important aspect of change strategies with the development of monitoring frameworks.
Foundations	Includes policies directed at school reform to ensure all students acquire a capability for lifelong learning; adult foundation programs including literacy programs.
Information and marketing	Includes policies and programs to make information on education and training opportunities widely known, including the use of modern technologies as in the British University for Industry; modernisation of guidance and counselling services; employer information programs such as American National Alliance for Business; special activities like learning festivals and national promotional campaigns such as British Campaign for Learning. Includes research such as, British National Adult Learning Surveys, Attitudes to Learning surveys undertaken for the Campaign for Learning, and benchmarking studies of American Society for Training & Development Benchmarking Forum.
Infrastructure	Includes policies and programs for the development of institutions, networks, and systems to support learning and training. Promoting partnership action is a key area with approaches such as British Learning Cities, Manufacturing Extension Partnership, American Workforce Development Boards (and the former Private Industry Councils), and statewide initiatives such as Enterprise Florida and the Massachusetts Corporation for Business, Work, and Learning, and the Kent Learning and Business Link Company; includes skill standards policies and school-to-work programs.
Incentives	Includes policies and programs to encourage individuals, employers, and communities to invest in learning and training. Examples include British learning accounts, basic skills tax credits and other taxation-based incentives; programs such as the British Investors in People, and innovative approaches to funding education and training. Research on lifelong learning has shown the importance of demand-side policies which provide incentives for individuals, employers, and communities to invest in learning and training.
Access	Includes policies and programs that enable individuals, particularly disadvantaged groups, to access learning and training opportunities. Equity strategies will include the use of modern technologies and the role of access points such as the British learning centres being developed with the University for Industry and the Netherlands Study House Initiative.
Role of technology	Includes strategies such as the British University for Industry and the National Grid for Learning which enhance the role of modern technologies in fostering a training and learning culture.
Private sector practices	Strategies and policies adopted by private sector firms to build a learning culture in the workplace and to contribute to fostering a learning culture in society generally.

BEST COPY AVAILABLE

The framework (see table 1) adopted reflects the demand-side orientation that we observed in policies designed to build a learning culture and society. Putting people first appeared to be a general orientation in policy across all countries with the instruments discussed in the report used. Stimulating a demand for learning on a whole-of-life basis among individuals, employers, families, and communities was generally the central issue that policy addressed.

The demand-side orientation in our study means that we have taken little account of policies directed at supply-side considerations except to the extent that such policies bear on subjects such as foundation education in schools. This should be the subject of a separate study in the re-orientation of education and training policy to lifelong learning perspectives.

Part I
The broader policy context

Part I of the report provides an overview of the key contextual changes which are influencing the development of policy for building a learning culture in the countries we studied. It sets out the approach we have adopted towards culture and indicates major themes in the interaction between contextual imperatives and culture in these countries. We indicate that the countries studied fall into two groups. An overview of the general approaches to policy co-ordination is given as background to the specific policies adopted.

1 New contextual imperatives

This study of policies, strategies and practices for building a learning and training culture has been undertaken at a time of unprecedented change in all aspects of life in the five countries we studied.

We found growing recognition across these countries that new approaches to skill formation and learning were required in a context of exponential economic, social and technological change.

In a context where the impact of globalisation is constant and permanent, where jobs and work are being redefined, and where the emergence of a knowledge-based economy is creating new requirements for skill and learning, new imperatives for lifelong learning and skill formation are emerging and are being reflected in policy and strategy development.

While globalisation is a dominant theme in the new era, an apparent paradox emerges—that of the importance of local contexts and cultures in the development of national policies and strategies in addressing the new conditions. For this reason, this study examines the links and interaction between policy, strategy, practices and culture in each of the countries.

The main drivers of change were discussed in a 1999 National Centre for Vocational Education Research report, *Vet in the learning age*, by Global Learning Services on the implications of lifelong learning for VET in Australia.[1] In this follow-up study, we examine policy and strategy development in the selected countries in terms of five key imperatives:

- the skills imperative: winning the skills race
- the social imperative: preserving a just and cohesive society
- the learning imperative: building a learning society
- the technology imperative: addressing the challenge of technology
- the partnership imperative: linking policy and concerting actions of stakeholders

A critical factor relates to the linkages established between the policies and strategies which address each of these imperatives. In a context where there are indications in each of the countries of the beginnings of a paradigm shift from a training to learning paradigm in skill formation, the strengthening of linkages between skill and learning is central to this study.

The broader policy context

Part I of the report takes up the broader policy context in terms of the key influences on policy, the influence and interaction of policy and culture, and the range of strategies adopted for co-ordinating policy and action among stakeholders across the countries.

In this way, part I identifies a number of key themes which are discussed in the report in terms of general directions for policy and a number of policy target areas and instruments. The pervasive influence of culture on policy and strategy is addressed in chapter 10 in terms of strategies adopted in the private sector.

New contextual imperatives

The overall impact of globalisation, new technologies, changes in work and in labour markets, and in shifts in social attitudes and values was discussed in *VET in the learning age*.

Like the British Government, we concluded that the impact of these pressures was resulting in the emergence of a new era in human history in which learning processes were central to both economic success and social cohesion and quality of life.[2]

The emergence of the 'learning age' presents a series of fundamental challenges for governments, communities, industry, and individuals. Six key challenges were identified in *VET in the learning age*.[3] In this study we found that policy across the five countries we examined was, in general, focussed on these challenges. However, the emergence of skill shortages in key 'information age' industries has also focussed the attention of governments on strategies to meet both skill and learning needs in the new environment of the twenty-first century. 'Winning the skills race' has become a key objective of policy.

In part, this issue relates to the emergence of a knowledge-based economy, and the growing importance of digital products. However the pace of change and the blurring of traditional boundaries and concepts exacerbates the problem in a context where there is a growing mismatch between traditional habits and practices (including skill formation practices) and the imperatives of the new environment.

In this environment, building a learning culture is not a soft option of educational and social policy; rather, it is an imperative for economic success, social cohesion, and quality of life in the new world of the twenty-first century.

The skills imperative: Winning the skills race

A key influence on policy development in most of the countries was a strong concern to meet increasing skill requirements which were accompanying changes in the economy and in work practices as a result of new technologies and market pressures. This influence appeared strongest in Britain and the United States where it was encapsulated in the title of a Council on Competitiveness report as *Winning the skills race*.

While the skills challenge was most evident in the United States and Britain, the problem of skills shortages was recognised in all five countries. In Sweden this

BEST COPY AVAILABLE

was recognised in a 1998 official report, *Skills development in professional life.* In the Netherlands, however, action on skills shortages is recognised in a general way but not in specific sectors or occupational categories. The German focus was mainly on securing additional training places in areas where skills shortages existed.

This concern was linked to the pace of change and increasing skill requirements which appeared to be a consequence of the emerging knowledge-based economy. An important aspect of the problem was the low level of literacy and educational achievement of much of the existing workforce in both the United States and Britain as reflected in the International Adult Literacy Survey (IALS) and subsequent surveys.[4] Adult literacy is less of a problem in Sweden, the Netherlands, and Germany.

The gravity of this situation was emphasised in a 1999 report of the American Conference Board:

> *Throughout the United States, private and public-sector companies are facing the problem of a workforce severely lacking in basic workplace skills: more than 40 percent of the US workforce and more than 50 percent of high school graduates do not have the basic skills to do their job.*[5]

Similar assessments have recently emerged from Britain including the Moser Report on basic skill levels among adults which we discuss in chapter 6.

We found this theme of a 'grossly unprepared workforce' echoed in a number of the key reports which have influenced policy, in particular in America and Britain.

The perceived problem was put in graphic terms in the influential Winning the skills race report of the American Council on Competitiveness.

> *The Council's firsthand look at efforts to meet the skills challenge validates a simple but fundamental point: the demand for increased skills is rising much faster than the capacity of the US companies, workers, or the nation's education system to respond.*[6]

In America these issues led to the January 1999 White House Lifelong Learning Summit and the subsequent establishment of a leadership group to provide guidance on responses. In Britain the government established a national skills task force to develop a national skills agenda to address the perceived issues. In both countries identified skill shortages in the key information technology and telecommunications industries were seen as typifying the skills problem, and led to initiatives to address the needs of these industries.[7] In Germany, the extent of the problem is illustrated by the very recent decision of Chancellor Schroder to authorise the recruitment of up to 10 000 foreign information technologists to make up for shortages in this area.

An important dimension of policies designed to build a learning culture in these countries then, was to find ways to address the literacy and basic skills deficiencies of much of the adult workforce in a context where the pressures of economic and technological change were requiring higher skill levels. These contextual pressures have meant that issues involved in building a learning culture and raising the skill levels of the existing workforce have been inextricably linked. We discuss this theme in a number of the chapters of this report, including a discussion on policy responses to the basic skills issue in chapter 6 and the use of infrastructure policies in chapter 4.

Winning the skills race is a key implication of the new environment of work in a knowledge-based economy as much for Australia as for America and Britain. The IALS study showed the literacy level of Australia's workforce to be only marginally better than that of America and Britain[8] so that, in the work environment of the new economy, adapting to the new skill imperatives is a central challenge for Australia.

The social imperative: Preserving a just and cohesive society

A major consequence of the changes discussed above has been to increase divisions and polarisation in society. The danger of what the German sociologist Ralf Dahrendorf has called 'a two-thirds society' is real in the context of radical change and disequilibrium.[9]

The growing exclusion and alienation of those unable to cope with the changes and new conditions has been described in various ways. While terms such as 'digital divide', and 'information divide' describe important dimensions of this change in society, it is fundamentally a learning divide with those lacking the capacity to function as motivated lifelong learners in a world of exponential change, at risk of social exclusion.

A core objective of policy in all countries we examined is addressing under-achievement, exclusion, and alienation, both in individuals and in communities. We discuss this theme in part II of this report as one of the two major directions for policy that we identified. The pervasive nature of this objective flows across all the policy instruments and strategies which we discuss in part III. We found that it also led to innovation in finding new ways of linking social and economic policy.

The learning imperative: Building a learning society

A learning culture is both an instrument and expression of a learning society. While culture is expressed in the attitudes and habits of individuals, families, organisations, and communities, the path to a learning society is not a linear one, and cultural change involves an untidy ferment of ideas, policies, and strategies. We found this to be particularly the case in the United States where exciting innovation co-existed with deep conservatism.

While all countries we studied were influenced by this imperative to varying degrees, we found a range of ways whereby the learning imperative was linked to the skills, social and technology demands of the new age. The pattern of change was clearest in Britain, the Netherlands and Sweden where explicit government policies have mapped the pathway to a learning society. The pattern of change was least evident in the two federal systems we studied—Germany and the United States—where divided responsibilities between the levels of government appeared to add complexity to the process of building a learning society so that there was less articulation of a clear national vision for a learning society than in Britain, Sweden, and the Netherlands. The federal factor also applies in Australia where a similar problem of galvanising vision and action by a range of stakeholders will need to be addressed.

The technology imperative

The challenge of technology involves a broad spectrum of issues involved in adapting education, training, and work practices to the requirements of an information society and knowledge-based economy. While the emerging digital era presents great opportunities to address learning and skill requirement in innovative and creative ways, it also poses a number of threats to those members of society left behind by the 'digital divide'. This razor's edge of opportunity and threat is one of the defining characteristics of the new era of the 'learning age', for this is both a risk society and one offering abundant opportunities.

We found that the themes deriving from the technology imperative were being played out in a number of ways in each of the countries. What these themes have in common is the pervasive role of information and communication technologies, both as a sector in its own right and as a strategic instrument in the implementation of lifelong learning strategies and schemes. We discuss this phenomenon in chapter 9.

Linking policy and concerting action: The partnership imperative

The broad spectrum of issues deriving from the challenge of the new era has enlarged the arena for education, training and learning policies. In a learning society, learning occurs in many contexts with a diversity of stakeholders involved. Linking policy and strengthening action among the range of stakeholders in this environment is a critical test for policy and strategy development.

A learning society is by its nature a partnership society, and we found that policy and strategies to build partnerships were central to this study. While we focus on this theme in chapter 4, partnership is also relevant to the policies and practices discussed in most chapters of the report.

The key role of partnerships in a learning society brings to the fore those cultural characteristics which progress or inhibit partnership-building. Spontaneous sociability is seen by Fukuyama and others as a key cultural influence on habits of association and community which is expressed in partnerships and the accumulation of social capital. This attribute varies between countries and is strong, for example, in countries such as the United States and Germany, and weak in countries like France, Italy, and Austria.

We found this quality of spontaneous sociability generously expressed in the wide range of intermediate bodies we observed in the United States which had a critical role in building partnerships and concerted action. This is a key influence, for example, on school reform in America and is now being effected—both through government policy and individual initiative—in workforce development.

The interactions of government infrastructure policies, partnership development, building community, and the accumulation of social capital are discussed in chapter 4. These interactions are central to the goal of building a learning culture.

Our approach

It became apparent early in this study that the selected countries fall into two groups: the continental European countries (Sweden, Germany, Netherlands) where the policy foundations to build a learning and training culture had been laid over a significant period of time so that there was a less recent body of policy development, and the Anglo-Saxon countries (Britain and United States) where recent policy development had taken place and was directed at building a learning culture and addressing perceived skills issues.

This situation reflected differences in the inherited cultural, political, social and economic traditions which influenced the policy culture of these countries. We comment on these differences in chapter 2.

While the experience of all countries has influenced the conclusions we have drawn from this study, we decided that the issues and directions for policy would be clearer and more relevant to the Australian situation if we focussed on the specific policy measures adopted in the Anglo-Saxon group over the past decade.

In doing this, we recognise the significant differences between the British and American policy approaches to building a learning culture and society. In a real sense these differences define choices for Australia in developing a necessary learning culture between a 'government-led revolution' and a largely (although not entirely) market-driven approach. We have attempted to bring out the similarities and differences of the British and American approach throughout the chapters of the report.

While adopting this approach, we also have regard to the experience of the three continental European countries in a more general way.

We were particularly impressed by the characteristics of the Nordic model for building a learning culture which, while deeply embedded in the social, political, and economic history of these countries, provides a profile of what a learning culture in contemporary conditions might encompass.

While Sweden possibly exemplifies the Nordic model in its most developed form, there is much in the recent development of countries such as Denmark and Finland that is instructive with regard to strategies for building a learning culture attuned to the social and economic aspirations of the country. It is also of interest that the policy orientation adopted in these countries has been explicitly linked to policies to build an export-focussed high-technology economy.

As a result of our general interest in the Swedish model we have included in appendix 2 an overview of the Swedish approach. In writing this overview we were helped by the experience of one of the team as the rapporteur for the 1995 OECD review of Swedish education policy.

We have also included as appendix 1 an overview of the British approach to building a learning and training culture which illustrates government-led action for revolutionary change in the culture. Throughout the report we compare the Swedish and American evolutionary approach, characterised by incremental change, with the British Government's aspiration to change the culture in building a competitive learning society.

Implications for Australia

All of the issues relating to the key imperatives discussed above are relevant to Australia. Australia, like the countries studied, must adapt to the contextual imperatives of the learning age. It will be necessary for Australia to develop further policies and strategies to respond to the identified skills, social, learning, technology, and partnership imperatives. Our study suggests that this will be an ongoing process involving many stakeholders. Thus mechanisms will be required to build a shared vision and to concert action among the range of stakeholders. The vital importance of infrastructure policies in this process of building partnerships, social capital and concerted action, is discussed in chapter 4. We comment in chapter 12 on the main implications for Australia in the light of the conclusions of this study.

Notes

1 Kearns et al. 1999.
2 Secretary of State for Education and Employment 1998; Kearns et al. 1999.
3 Kearns et al., op cit.
4 OECD & Statistics Canada 1995.
5 Conference Board 1999.
6 Council on Competitiveness 1998.
7 Office of Technology Policy 1999.
8 Britain established the Skills Task Force to develop a National Skills Agenda. In the United States the Digital Task Force report of the Office of Technology Policy provided an analysis of the situation.
9 Lutz 1994.

2 The influence of culture

The preceding chapter has highlighted the twin trends of globalisation and the emergence of technology-driven, knowledge-based economies, sustained by the phenomenal advances in and spread of information and communication technologies. It is now increasingly recognised that the forces generating these changes, as well as the far-reaching social, economic and indeed political consequences which arise from these changes, cannot be properly appreciated without regard to the broader cultural context within which they operate. Consideration of the major cultural factors at play, particularly as they relate to the theme of this study—the development of a learning culture—is the subject of this chapter.

A pragmatic approach to culture

It should be stated at the outset that we are not concerned here with a philosophical discussion of the idea of 'culture', a concept 'notoriously slippery and difficult to pin down', in the words of the second report of the National Advisory Group for Continuing Education and Lifelong Learning (NAGCELL), in England (to our knowledge, the only official body anywhere specifically mandated to make proposals on the development of a 'learning culture')[1]. We have used the group's definition of the concept, as one that concerns:

> *That bundle of signs, symbols, beliefs, traditions, myths, ways of thinking, speaking and doing which characterise the ways of life or behaviour of a given group of people. Cultures typically manifest themselves in the established routines and practices of people and what is taken as 'normal' behaviour amongst them. Although cultures are rarely wholly fixed and unchanging, nevertheless it is characteristic of them even as they evolve, to be deeply rooted in custom and constantly reinforced by habit and convention. Cultures are usually especially resistant to attempts to change them from outside or to impose unwanted modifications upon them. It follows that proposals to change culture will require action on many fronts, over an extended period, winning people to new way of working, new priorities and a new sense of what is seen as normal and largely unremarkable.*[2]

When it comes to education, this line of reasoning would see the acceptance and effective application of the precepts of lifelong learning as the equivalent of a new learning and training culture, which will also encourage changes in the value structures of groups and individuals in society. One such example would be redressing the balance between the traditionally high esteem given to theoretical/cognitive knowledge and skills and the low esteem attached to technical/practical attributes and qualifications.

At another level, convincing employers and enterprise leaders of the importance of investing in their human resources, in term of upskilling, but also for more general education purposes, would in itself amount to a major cultural change. This will not be achieved without producing convincing evidence of a direct link between the quality and volume of enterprise-based training and the economic performance of firms; hence the renewed interest in further and broadened research in this area, exemplified by current work within the OECD.

It is also useful in developing strategies for cultural change, here in the context of building a learning culture, to take account of the model of culture developed by Fons Trompenaars which involves three layers:

- the outer layer involving explicit products such as language and food which are symbols of a deeper level of culture
- a middle layer, comprising norms and values
- a core comprising assumptions about existence[3]

The outer and middle layer usually impact most on business practices and economic outcomes, and it is these levels which are critical in building a learning culture. Ways in which the policies and strategies adopted in the countries we studied are directed at these levels are discussed throughout this report.

Culture, society and the new economy

The rise of knowledge-based economies, in their globalised and competitive interdependence, has given prominence to the role of learning as the underpinning factor in the success of such economies. The notion of the learning society is therefore of paramount significance. To the extent that learning is itself an essential component of culture, the impact of cultural factors in the shaping of the new economy takes on additional significance.

The growing significance of values in a knowledge-based economy was discussed in *VET in the learning age.*[4] The critical importance of values in the generation of new knowledge has been attested by a number of scholars. Davenport and Prusak and Nonaka and Takeuchi are typical in their perspectives.

> *Values and beliefs are integral to knowledge determining in a large part what the observer sees, absorbs and concludes from his observations.*[5]
>
> *Knowledge, unlike information, is about beliefs and commitment.*[6]

This link between values and the generation of knowledge means that culture will inevitably be of growing significance in the emerging knowledge-based economy of the twenty-first century. It will be necessary in building a learning culture for policy and strategy to address norms and values held in society, as well as the explicit products that make up the outer layer of culture. This is a critical issue for industry and for the VET sector.

The relationship between culture and the new economy is reciprocal and operates at a variety of levels, as discussed below.

The culture industry

Firstly, culture-related activities—the 'culture industry'—represent a significant and ever-growing sector of the economy in their own right. They are propelled by the spread of youth culture, rising levels of education among the population, and increased leisure affecting all groups in society, arising from changes in work conditions and, in particular, from early retirement and longer lives of the ever more numerous—and affluent—'senior' members of society, with corresponding growing demand for various forms of adult education.

Multiculturalism

Secondly, societies are becoming increasingly multicultural, bringing new tasks in national education and training systems. In addition, the internationalisation of the economy places a premium on improved knowledge and appreciation of other countries' cultures, including foreign languages, in the competition for capturing foreign markets. At the same time, this gives rise to serious concerns, particularly among the smaller countries, of how the identity of national cultures can be protected against the overwhelming, media-driven inundation of dominant foreign models. The 'cultural exception' in international tariff negotiation is not merely economically motivated. More broadly, the fiasco of the Seattle World Trade Conference has amply demonstrated that international economic relations can no longer be determined on the basis of narrowly defined economic considerations which have not taken into account their impact on the social and cultural environment.

Many cultures

Thirdly, it should be recognised that culture is neither unitary nor monolithic. Within certain broadly perceived norms, which are used—and often misused—to define national cultures, a number of 'microcultures' operate at the level of regions, communities, social and professional groups and even within institution themselves. Thus, if we look at education and training systems, we can identify different 'cultures'; for example, school and teacher cultures, a trainers' culture, an academic culture, an adult education culture etc., all of which are not easily reconcilable. In fact, the lack of permeability among these different cultures acts as an obstacle to the development of an overall learning culture. This underlines the need, discussed elsewhere in this report, of building up partnerships, within education itself but also with other sectors and stakeholders, if learning is to play its full role in the new economy, and in alleviating some of its unintended consequences, particularly in combating social exclusion.

Tensions and contradictions

In an era of 'punctuated equilibrium'[7] marked by a number of fundamental transformations, it is inevitable that tensions and conflicts will exist between the old and the new. The transition to the new economy and new society

demonstrates the tensions among competing values in this era of punctuated equilibrium when 'everything is in flux, disequilibrium becomes the norm, and uncertainty reigns'[8]. This situation poses great difficulties for government policy and strategy, and makes traditional responses increasingly irrelevant.
The broad policy directions adopted in response to this turbulent context are discussed in part II of this report. In chapter 10 we discuss private sector responses and needs.

In addition to the tensions of an era of radical transformation, Daniel Bell in his classic work, *The cultural contradictions of capitalism* argues that certain fundamental contradictions exist in contemporary capitalism deriving from the unravelling of threads that once held the culture and the economy together, and from the influence of the hedonism which has become the prevailing value in society.[9]

The Bell thesis is that the three realms of the economy, the polity, and the culture are ruled by 'contrary axial principles' (efficiency, equality, self-realisation) with the resulting disjunctions framing the tensions and social conflicts of Western society over the past 150 years.

In the context of this view, the developments discussed in part II assume major significance as attempts to bring the values underpinning the economy, the polity, and culture closer together, perhaps in a new synthesis. It is of interest in this regard that proposals from all sections of politics, including the Third Way and the concept of 'a social coalition to build a decent society' (advocated by the current Australian Prime Minister), seek to address this basic disjuncture and to find new ways of harmonising the axial principles that drive the economy, polity, and culture in an era of radical transformation.

Human and social capital

Lastly, and partly as a consequence of the above, we are witnessing an important culture shift in the way in which the composition of 'human capital' and its role in the performance of firms has been traditionally perceived. The shift is in two directions. The concept has been broadened to 'intellectual capital' to cover a wide range of intangibles in company assets, including factors such as employee know-how, research and development and technology, intellectual property rights, organisational structure, marketing, customer and supplier networks and computer software. 'Investment in intellectual capital by firms is considered key to performance and growth and is surpassing investment in "tangibles" (plant and equipment) in value and importance'.[10]

This line of reasoning is now accepted by many firms, and a number of them are actively co-operating in an OECD-sponsored project on experimenting with the development of a framework for collecting information on intellectual capital as well as for understanding its role in value creation and firm performance. The Nordic Industrial Fund in Sweden and the Institute of Chartered Accountants in England and Wales are playing a leading part in this endeavour strongly supported by governments.

BEST COPY AVAILABLE

The other direction of change introduces a social dimension to human capital under the concept of 'social capital', on the lines originally conceived by Bourdieu[11] and Coleman[12], and more recently developed by Knack and Keefer[13], Portes[14] and others. Although still in its infancy, in terms of both definition and practical applications, the concept of social capital is rapidly gaining currency among policy-makers and analysts. Generally speaking, it 'refers to aspects of social life—the existence of networks, institutions, policies, norms and relationships—that enable people to act together, create synergies and build partnerships';[15] in other words, creating learning organisations within groups and communities, based on shared knowledge, team-work and norms of behaviour and intervention.

Social capital is thus integral to the development of learning cultures: it largely conditions, and at the same time enriches, the quality of human capital derived from institutionalised learning settings and, by drawing attention to the importance of interactive participation in community and civic life, it also contributes to social cohesiveness. (Current experimentation with the development of learning cities is but one example of the practical application of these concepts.) We comment further on social capital in chapter 4.

The political culture

Policies for education and training are par excellence *national* policies, embedded in the political and cultural traditions of individual countries and their system of governance; for example, whether constitutionally unitary or federal, administratively centralised or decentralised, politically consensual or conflictual etc. These distinctions apply even within the membership of the European Union, where education comes under the 'subsidiarity' rule, that is, left to national governments.

It is true that, under the pressure of the new imperatives indicated in the preceding chapter, there has been a growing degree of educational convergence among countries; but this relates to general objectives and the directions of future policies—of which the development and implementation of strategies for lifelong learning is the supreme example—and does not apply to the approaches, methods and instruments, or to the setting of priorities, by which such objectives will be pursued. It is in these areas that cultural influences are reflected in the educational change strategies of a representative group of countries.

Sweden, representing what may be called the Nordic model, is probably the best example of the development of a learning and training culture embedded in the wider social, economic, cultural and political history of the country. This is reflected in the highest rates of participation in both formal and post-formal education and training, among both youth and the adult population, giving reality to the concept of lifelong learning. Current policy emphasis is on reinforcing co-operation between policies for education, the labour market and industry to consolidate the further development of a coherent infrastructure in the area of education and training across the whole life span. A key element in this is the development of a comprehensive system of adult education deriving from three strands: the popular movements and popular adult education; the active labour market policies with tripartite responsibility for employment training; the well-established tradition of education for adults at primary, secondary and tertiary levels. Newly initiated programs in this area (on which more later on this report) are thus part of the Swedish way of life.[16]

In the case of the *Netherlands,* the pluralistic and consultative nature of Dutch society and consensus-based decision-making are fully reflected throughout the education and training system. The considerable involvement of the social partners in the policy and administrative structures of VET at all levels as well as of the employment service is a determining factor in the shaping of policy in this area. It is reinforced by the Dutch system of industrial relations, with a major influence over company training, leading to collective agreements which are legally binding, often specifying training funds or training schemes. Some 75 per cent of private sector employees fall under the scope of such agreements.[17]

In *Germany,* while the tripartite system in VET also applies, the political and cultural context and traditions place the German education and training system, together with those of other German-speaking countries like Austria and Switzerland, in a category of its own—a Germanic model embodied in the so-called Dual System, with apprenticeship at its centre. While apprenticeship is a feature of other European systems—and in some cases a growing one—nowhere does it carry the weight it has within the German system.

Two factors explain this difference: firstly, in the German tradition, a majority of secondary school students are attracted into the technical/vocational sector, as against the situation in other countries where general education largely predominates; secondly, partly as a result of this, apprenticeship in Germany has remained employment-based whereas in other countries it is school-based, and hence better integrated into the post-school educational opportunities sequence. Add to this the fact that public direct support for post-school educational opportunities is low—on the assumption that it is the responsibility of the employment sector in a situation where employers themselves consider their responsibilities are fulfilled by the dominant role they play in apprenticeships. This explains why rates of participation in education and training activities across the population as a whole are low by comparison to other similar countries. There is thus an in-built rigidity in the system which, combined with the division of responsibilities as between the Länder and the Federal Government, inhibits change. There is growing recognition in Germany of these difficulties reflected in current efforts at the revitalisation of the apprenticeship system.

While American culture is characterised by great diversity, there are two competing forces in the American tradition which have influenced policy towards building a learning and training culture. The first of these traditions is highly individualistic while the second is more group- and community-oriented.[18] While the dominant individualistic tradition has, over the past century, tended to limit the role of government in broad areas of human resource development, in recent years there has been a resurgence of the community tradition in American culture which has led to a proliferation of partnership development. In this resurgence, the historic contest between individualistic values and social values is being redefined in a uniquely American way. This significant trend, which is being supported by government policy in a number of ways, is discussed in chapters 4 and 10.

Closely aligned to the individualistic tradition, is the entrepreneurial component of American culture, which in a number of respects provides a bridge to the community tradition. We observed this role in the spread of intermediary bodies, often as a result of entrepreneurial action by individuals, which have a significant community development role. This is a particular strength of American culture.

In recognising the dual traditions in American culture, we are following the German sociologist Max Weber rather than the French observer Tocqueville. Weber considered that Tocqueville missed the 'sect spirit' of America, an ethic which links radical individualism with principled and self-aware voluntary participation in the larger moral community so that individualism and community spirit are united.[19] The extensive partnership development, which is currently evident in America, confirms the validity of Weber's insights.

The English paradigm stands out on its own, as an example of how the political culture can generate a national commitment to the development of a learning society, marshall the necessary resources and build up appropriate instruments and partnerships in a co-ordinated program of measures directed to this end. Various indications of the nature of these measures are given throughout this report. For the purpose of the present discussion, the point to be noted is that these measures are not meant to replace the existing education and training system; they are simply—and skillfully—grafted on to it. While the objectives are revolutionary, change is incremental, and thus more readily acceptable to stakeholders.

General comment

The themes and issues outlined above are discussed in the chapters of this report in terms of their influence on general directions for policy, and the particular policy instruments adopted. Recognition of the critical importance of culture and values on economic and social outcomes adds a further layer of complexity to the policy process and leads in the direction of a search for new paradigms to meet new needs. The general directions of policy responses are discussed in part II.

These issues are particularly relevant to Australia, and point to a neglected area of VET reform over the past decade. The emergence of a knowledge-based economy makes a compelling case for a deeper understanding of the pervasive influence of culture, and for the identification of strategies that align axial principles in the culture with desired economic and social outcomes.

Notes

1 NAGCELL 1999.
2 Ibid, p.8.
3 Trompenaars 1993, pp.22–3.
4 Kearns et al. 1999.
5 Davenport & Prusak 1998, p.12.
6 Nonaka & Takeuchi 1995, p.58.
7 Thurow 1996, p.8.
8 Ibid, p.8.
9 Bell 1978.
10 OECD 1999f, p.5.
11 Bourdieu 1981.
12 Coleman 1988.
13 Knack & Keefer 1997.
14 Portes 1998.
15 OECD 1999f, p.4.
16 Sohlman 1998.
17 Down 1999.
18 Fukuyama 1995, p.307.
19 Hall & Lindholm 1999, pp.6–8.

3 Approaches to policy co-ordination

In the context of rapid change and uncertainty outlined in chapter 1, the impact of pressures for lifelong learning has meant that policy co-ordination has become both more complex and essential. Lifelong learning involves a wide range of stakeholders in many contexts so that integrating policy and concerting action in this situation requires strategies that associate, in synergistic ways, the action of stakeholders.

We found a spectrum of approaches to this central co-ordination issue that reflected the interaction of policy, history, political systems, and culture in the countries we studied.

The extent to which a learning and training culture already existed in the country appeared to be a key influence on the strategy adopted. In this aspect we observed a spectrum that ranged from evolutionary approaches where further incremental steps were taken which built on an established foundation, to what can aptly be termed a revolutionary approach where major cultural change was sought. The evolutionary/revolutionary spectrum also appeared to influence the extent to which strong policy co-ordination measures were adopted.

On this dimension of policy development and co-ordination, Sweden and Britain illustrated the two poles.

Develop the culture: The Swedish approach to incremental change with further initiatives taken to build on a strong foundation developed over years that supported a learning and training culture.

Change the culture: The current initiatives of the British Government aimed at cultural change so as to build a learning culture that supported aspiration, enterprise and achievement.

While Sweden and Britain marked the two poles, the other countries we examined were generally closer to the evolutionary approach exemplified by Sweden than to the more radical British approach.

Germany: Germany's strengths through the dual system, its system of industrial relations and its tradition of spontaneous sociability[1] meant that much of the foundation for partnership towards a learning society already existed, and we observed few major changes.

Netherlands: The pluralistic and consultative nature of Dutch society with its tradition of consensus-based decision-making means that a consultative and evolutionary approach is the 'Dutch way'.

United States: The divisions of responsibility under the American federal system, and the size and diversity of the country, meant that change would inevitably be evolutionary and incremental. Concern at skill shortages is a key influence. Partnership is the dominant feature in the American approach so that the role of the federal government is mainly to co-ordinate strategic development and encourage individual initiative through infrastructure, information, and incentive policies.

Overall, the five countries illustrate a range of approaches to policy, co-ordination with the policy choices most clearly shown in a comparison of the Swedish and British approaches.

Sweden

Prior to the-mid 1970s, Sweden had adopted a centralised 'top-down' approach to policy development and co-ordination. This system involved the role of a small ministry of education, administrative boards for schools and higher education, and the extensive use of government commissions to examine policy options.[2] Unions and employers were involved in the arrangements under the Swedish consultative approach.

However, by the mid-1970s, faith in central planning began to waiver and the previous consensus decreased to the extent that reforms were introduced that provided for substantial devolution of responsibility to local communities. The National Board of Education was abolished and block grants made to the municipalities which, following the introduction in 1968 of Municipal Adult Education (Komvux)[3], were given powers to run their schools and adopt a major role in adult education

The Swedish devolution reforms of the 1960s and 1970s involved a different approach to reconciling local needs and national requirements from the traditional Swedish approach. The extensive devolution of responsibility to the local level, and the key role of the municipalities provided an infrastructure for local collaboration and partnership in building a learning culture which later became a key goal of policy in Britain and the United States in the 1990s. We discuss these developments in chapter 4.

While the Swedish reforms of the 1960s and 1970s involved some significant shifts in direction, they nevertheless built on foundations developed over a considerable period of time, including the consensual policy culture which associated the social partners actively in education and training development. An overview of the Swedish approach to building a learning culture is given in appendix 2.

Britain

The approach by the current British Labour Government illustrates a radical program of cultural change directed towards building a learning culture which would support raised aspiration, enterprise and achievement in line with the aims of modernising Britain's institutions.

The approach has been underpinned by a philosophy that was clearly enunciated in the government's green paper *The learning age*.

> *Learning is the key to prosperity—for each of us as individuals, as well as for the nation as a whole. Investment in human capital will be the foundation of success in the knowledge-based economy of the twenty-first century. This is why the Government has put learning at the heart of its ambition.*[4]

This recognition of the contribution of learning in the emerging knowledge-based economy to economic, social, and cultural policy has involved close attention to developing a whole-of-government approach and to securing linkages between policies in the various sectors at both national and local levels.

It has also involved a sequence of initiatives to develop the foundations for this approach.

- *The green paper: The learning age* of February 1998 which set out the vision for a new Britain in the learning age and which identified some key policy parameters and initiatives
- *The white paper: Learning to success: A new partnership for post-16 learning* of June 1999 which announced structural reforms to modernise the system and encourage partnerships and community among stakeholders. These included the establishment of the national network of Learning and Skills Councils
- *National learning targets* which are being used to monitor progress towards the national targets

A range of other initiatives have been developed around these framework initiatives which we discuss in the appropriate chapters of this report.

Co-ordination role of Learning and Skills Councils

The role of the network of Learning and Skills Councils is discussed in chapter 4. The councils will have an important co-ordination role at both national and local levels.

- The councils will link adult and community education with skill formation.
- They will promote coherence across all post-16 education and training (excluding higher education).
- They will co-ordinate local provision and link the local 'learning partnerships', local education authorities and Regional Development Agencies.

In undertaking these roles, the councils will have funding provision (at present exercised by the Training and Enterprise Councils [TECs] and Further Education Funding Council for England), to ensure the effectiveness of their role.

National learning targets

National learning targets for England to be achieved by 2002 will help to drive the new system. The learning targets are given in figure 1 and include school literacy and numeracy targets, school achievement targets at age 16 and for young people beyond school, adult learning targets, and targets for organisations.

This setting of national learning targets across all sectors from school to adults and organisations is an important aspect of the British approach to policy co-ordination and cultural change. Changing the culture requires progress across all age groups and in all contexts.

A further significant aspect of the learning targets is the incorporation of a *learning participation target* which involves a seven per cent reduction in non-learners by 2002. Local Learning and Skills Councils will be responsible for developing strategies to achieve this target in their locality. Key skills targets will also be incorporated into the national learning targets on advice from NAGCELL.

Securing links

A critical feature of the British whole-of-government approach involves securing linkages between policies and programs.

- The roles of the Learning and Skills Councils illustrates this feature with the requirement of linking their work to that of Regional Development Agencies, local education authorities, and local Learning Partnerships.
- Cross-sectoral programs such as the Single Regeneration Budget (SRB) are also being used to achieve links and coherence across policy sectors. The SRB provides funds for initiatives in urban and rural regeneration drawing resources together from 20 former programs across five government departments. The fund supports initiatives carried out by local partnerships.

The concept of 'joined-up policies' with an active policy of building links and bridges between initiatives aims at creating synergies and networks that will function as key agents of cultural change and regeneration, and is a key aspect of the British approach.

The American approach

While the divisions of responsibility and diversity of the American federal system add layers of complexity to the question of co-ordination in the United States, some of the themes evident in Britain and Sweden may also be observed in the United States.

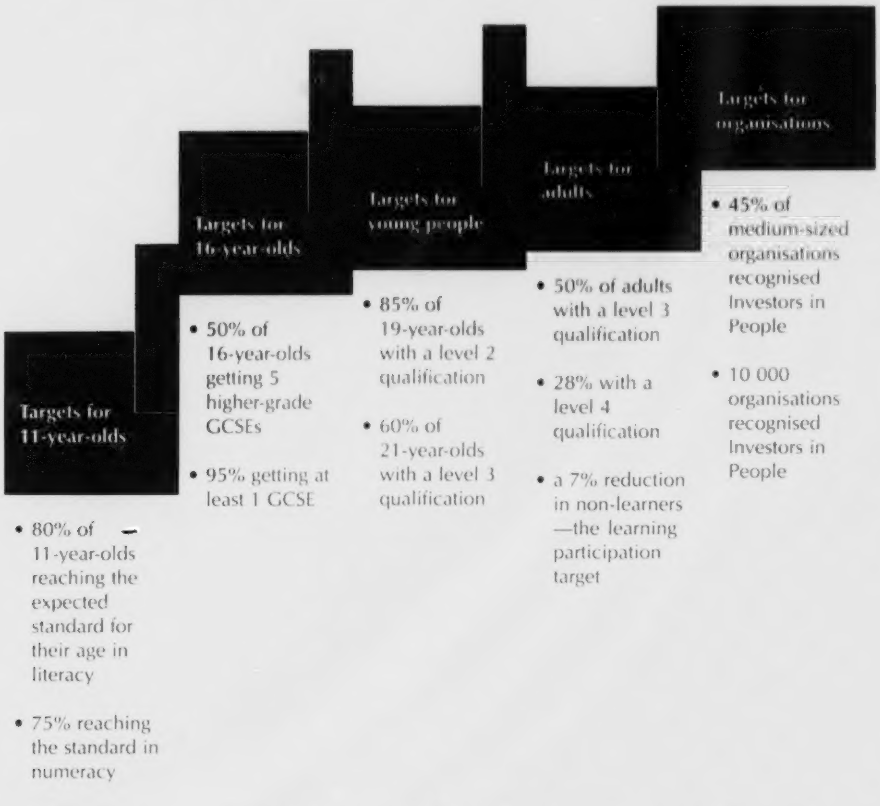
The recognised need to secure improved co-ordination of federal programs, and alignment with both state and local action may be observed in the provision of the 1998 *Workforce investment act* which is discussed in chapter 4.

The legislation establishes local and state Workforce Investment Boards and involves:

- strengthened links between the workforce investment system and the adult education, literacy, and vocational education programs funded under separate legislation. Local and state Workforce Investment Boards play a key role in building links and co-ordination
- a one-stop delivery system for a range of job, training, work preparation, career development, and adult education services
- unified state plans which concert the action of local boards and which include 15 workforce development programs
- strong monitoring, reporting and accountability measures

While there is likely to be substantial diversity in the approaches adopted by the individual states, as in the 1994 *School-to-work opportunities act* (see chapter 4), the general thrust of American policy is towards greater coherence and joined up policy while allowing and indeed enhancing, local flexibility and responsiveness. In this way the United States, like Britain, is following a path that Sweden has signposted.

Figure 1: National learning targets



Targets for 11-year-olds

- 80% of 11-year-olds reaching the expected standard for their age in literacy
- 75% reaching the standard in numeracy

Targets for 16-year-olds

- 50% of 16-year-olds getting 5 higher-grade GCSEs
- 95% getting at least 1 GCSE

Targets for young people

- 85% of 19-year-olds with a level 2 qualification
- 60% of 21-year-olds with a level 3 qualification

Targets for adults

- 50% of adults with a level 3 qualification
- 28% with a level 4 qualification
- a 7% reduction in non-learners —the learning participation target

Targets for organisations

- 45% of medium-sized organisations recognised Investors in People
- 10 000 organisations recognised Investors in People

Key skills: The Government will seek advice from the National Advisory Council for Education and Training Targets (NACETT) on a target once a practical and robust measure of key skills attainment exists.

BEST COPY AVAILABLE

The partnership issue

The central issue of concerting action by a diverse range of stakeholders is taken up in chapter 4 in the context of discussion of infrastructure policies being used to promote partnerships among stakeholders and a commitment to shared objectives.

Beyond programs: Building systems for continuous learning

The partnership issue which emerges from this overview of policy co-ordination is closely linked to a trend to move beyond a program approach to policy and strategy towards building systems for continuous learning.

This trend is clearly evident in the British approach to lifelong learning; it also underpins much recent American policy in such aspects as public–private alignment. Across all countries this thrust has manifested itself in new forms of public–private partnership and in a strong interest in building linkages between policies and programs. This trend is redefining the roles and relationships of stakeholders. This thrust is also evident in the steps taken, tentative in some countries, towards a whole-of-government approach with a growing trend to strengthen action at a local level. While this development has been apparent in economic policy for some time, moves in this direction in social policy are significant, and some of the partnership strategies we examined (including the best of British Learning Cities) involve a deliberate linking of economic, social, and cultural development. The foundations for the future appear to be in this trend.

The partnership, alignment, and linking themes discussed above are central to policies and strategies designed to build a learning and training culture. We discuss these themes in the context of policy instruments adopted in parts II and III of this report.

Implications for Australia

As a federal system, Australia, like the United States and Germany, faces particular issues in concertimg action among the range of stakeholders in building a learning culture and society. The absence of a shared national vision for lifelong learning, and Australia as a learning society, is a major impediment and should be addressed. The current focus on national consistency issues in implementing a fully integrated national VET system is useful, but links between VET and other sectors of social and economic policy need to be strengthened at all levels through more 'joined-up' policies. Britain and Sweden provide models in this regard. The key infrastructure and partnership issues, discussed in the next chapter, need to be addressed in concertimg action more effectively.

Notes

1 Fukuyama 1995.
2 OECD 1995, p.185.
3 Sohlman 1998, p.4.
4 Secretary of State for Education and Employment 1998, p.7.

Part II
Directions for policy

Our analysis pointed to two dominant themes in the general directions for policy in building a learning and training culture. These themes were related to policies directed towards:

- building infrastructure, partnership, and community
- developing active access strategies in a lifelong learning perspective

Part II provides our analysis of these themes as setting the general policy directions and framework for the specific policies which are subsequently discussed in part III. These policy directions, in the context of the new economy, have major implications for Australia and are discussed in chapter 12.

4 Building infrastructure, partnership and community

> *For them (many bodies) learning the habits and practices of collaboration will be part of the cultural changes we are advocating, including acting as bridges and connecting points in a society characterised by increased fragmentation, isolation and individualisation.*
>
> (NAGCELL 1999)

The dominant characteristics of the new era of the twenty-first century throw into relief the key role of partnership in building a necessary learning culture. A 'learning age' is by its very nature a partnership society, while an information society affords opportunities for new and creative forms of partnership.

One of the two major directions for policy that we observed across the countries studied, was the existence of policies for building infrastructure in order to foster partnership, strengthen community, and develop a shared commitment to key learning objectives. While this development was evident from the national level to the local level, the local level appeared to be the main arena for initiatives designed to build partnership, commitment and community.

A key feature is that these policies address both economic and social objectives, and while meeting skill needs in an era of exponential change is clearly a central objective, the social objective of building community to combat fragmentation, alienation and exclusion also assumed importance. This feature reflects the search for new ways of integrating economic and social objectives and for finding broader whole-of-government approaches to the complex spectrum of issues confronting governments in the transition to a learning age characterised by both risk and opportunity.

The policies and strategies being implemented raise a broad spectrum of issues involving the relationships of social capital, human capital, and culture that we discuss below.

While government action to build infrastructure to foster collaboration and partnership is clearly significant, there are also the early indications of the emergence of a digital learning infrastructure which, in the longer term, could revolutionise the ways in which learning occurs and which would have profound implications for the work of education and training institutions. We discuss this aspect in chapter 9.

Overview of policies

While a good deal of similarity was identified in the core objectives, the strategies adopted differ between the countries studied—reflecting a range of cultural, historical, political, and economic influences.

These traditions involve differing roles for government, industry, communities, and other stakeholders across the countries we studied. While Britain demonstrates government-led leadership, the government role, apart from establishing framework conditions, is less significant in the United States where individual initiatives have a major role. However, even in the United States, government has a significant role in establishing framework conditions for partnerships as, for example, in the operation of the 1994 *School-to-work opportunities act*.

We observed in chapters 2 and 3 that Sweden and Germany have built up an infrastructure for local partnership and collaboration over a significant period of time, with the roots of this development lying deep in the history of the country. There has therefore been less recent development in infrastructure policies designed to foster collaboration than in Britain and the United States.

In Germany the role of the local chambers of industry and commerce and handicrafts has been a key influence in promoting local collaboration and tapping the rich tapestry of intermediary organisations of German civil society[1] which have been strengthened over the past fifty years under the influence of the *sozialmarkwirlschaft* (social market economy) policies initiated by Ludwig Erhardt after World War 2. Both Hampden-Turner and Trompenaars[2] and Fukuyama[3] rate Germany as high on communitarian values and institutions, this being the dominant influence on the extensive partnership development found in Germany which has traditionally been uneasy with the 'atomizing, individualistic implications of classical and neoclassical economics'.[4]

In Sweden the major role of local authorities in the provision of schooling and adult education, strengthened by the reforms of the 1960s and 1970s discussed in chapter 3 and appendix 3, provide ready links to labour market and training programs with their consensual tripartite culture. Thus partnership-building, as in Germany and the Netherlands, is less an objective of recent policy than in the Anglo-Saxon countries which have been dominated by different intellectual and political influences.

However, even in Sweden, policy continued to move in the direction of strengthening the role of local authorities in providing a co-ordinated infrastructure for the development of learning and skills responsive to local needs and conditions. This was an important thrust in the Adult Education Initiative introduced as a five-year program in 1997 to boost adult education and training in Sweden.

A European Union report on Sweden comments on this objective in the following terms:

> *From having organised schooling and adult education in the more traditional sense, local authorities are now changing their role to that of establishing new infrastructure for learning and skills development. AEI will serve as an important tool to develop workplaces and employment in the local community.*[5]

This objective is very similar to that of the British Learning and Skills Councils which are discussed below.

Although this new phase of Swedish development is significant, our focus in the discussion that follows is on the role of infrastructure policies in the United States and Britain in building partnership and community of purpose among stakeholders. Such a discussion is more relevant to Australia. However, both Britain and the United States, in using infrastructure policies in this way, are following a path that has been charted by countries such as Sweden, Denmark, and Germany from a different tradition.

Infrastructure policies and culture

Infrastructure policies have been deliberately used by the British and United States Governments to build partnerships and networks to support learning and skill objectives. It is evident that cultural influences interact with these policies, and that the outcomes are influenced by the interaction of policy and culture. For example, in the United States the tendency to 'spontaneous sociability' (discussed by Fukuyama and others) has been a key influence in stimulating a diverse range of partnerships within the framework conditions, in part set by government.

Britain and the United States are at different stages in the implementation of such infrastructure policies. While British action has largely taken place in the period 1998 and 1999, following the 1998 green paper *(The learning age)*, the United States has had experience through the 1994 *School-to-work opportunities act* over a longer period. This has now been supplemented by the 1998 *Workforce investment act* which has a similar focus on encouraging local and state level partnerships.

United States

The interaction of policy and culture in the United States reflects two distinct and competing traditions in American life: the first highly individualistic and entrepreneurial and the second more group- and community-oriented.[6] Francis Fukuyama traces the origins and interaction of these traditions back to the historical conditions of American settlement and growth. The dominance of the individualistic tradition over most of the last century, is now being tempered by new forms of partnership which can be seen as reflecting a revival of community values in new forms.

While the individualistic and entrepreneurial tradition, which has fuelled the spectacular success of American capitalism, and which continues to do so, has often competed with the community orientation of the American tradition, there are grounds for observing a more complex interaction in the conditions of the new economy and globalisation.

Much partnership development in America has resulted from entrepreneurial action by individuals, and organisations, with the role of intermediary bodies in brokering partnerships being one of the critical features of the American scene. In this environment, the role of government has become increasingly that of establishing through infrastructure and other policies, the framework conditions and incentives for partnership development. This orientation has led to an increased significance for action at local and state levels with the federal role focussed on providing framework conditions and incentives.

This approach may be observed in the two major pieces of legislation relevant to infrastructure and partnership development: the *School-to-work opportunities act* of 1994 and the *Workforce investment act* of 1998.[7]

The 1994 School-to-work opportunities act

This act provided for payments to the states to foster innovation and partnership in preparing students for the transition from school to work (STW). Partnership development has been a key objective of the act, and reporting on the act to Congress has recorded the growth of STW partnerships. Local partnerships are defined in the act as a local entity responsible for STW activities that include employers, local education agencies, post-secondary institutions, educators, and unions. As with British Lifelong Learning Partnerships, other bodies may be members in addition to the mandated membership.[8]

By June 1997 more than 1100 STW partnerships were in place across 44 states as a national STW infrastructure evolved through the stimulus of the act. State profiles are provided by each state. The 1998 *State profiles* report demonstrated the diverse range of partnerships which had evolved across America by that year.

While system-building for STW has been important across all states, in some states, intermediary bodies have been established to broker partnerships and provide co-ordination between the employer community and STW partnerships. New York illustrates this approach with the NYC Alliance operating as a not-for-profit agency in this role.[9]

Overall, the impact of the *School-to-work opportunities act* since 1994 has been impressive in fostering the development of an infrastructure to build partnership and concerted action in addressing school-to-work transition. This appears as a necessary building block in a learning society.

Workforce investment act of 1998

A further stimulus to infrastructure and partnership development in America was provided by the *Workforce investment act* of 1998. This act provided for:

- the establishment of state and local Workforce Investment Boards

BEST COPY AVAILABLE

- youth councils to be established as sub-groups of local bodies
- each state developing five year strategic plans for a statewide workforce investment system and a statewide labour market system

Under the terms of the act, the local Workforce Investment Boards will replace the former Private Industry Councils which had operated under the *Job training partnership act* (JTPA) with a focus on getting disadvantaged groups into jobs.

While JTPA had been mainly a poverty program, the new act represents a broader approach to workforce investment in an attempt to encourage employers and other stakeholders to invest in workforce development. The act attempts to both meet the needs of firms for skilled workers as well as the education, training and employment needs of individuals. A key aspect of the latter objective will be the implementation of a 'one-stop' approach for clients with a wide range of services available at a single neighbourhood location.

The comparison between the American Workforce Investment Boards and the new British Learning and Skills Councils will be instructive as both America and Britain have moved to a new phase in strengthening infrastructure for local action. While the local Training and Enterprise Councils in Britain were modelled on the American Private Industry Councils, both countries have now moved to a further phase of development in strengthening local infrastructure. In each case, the approach is now more comprehensive, reflecting the growing complexity of labour markets. While both systems have an orientation towards meeting local skills needs and assisting individuals, the British approach links more closely to lifelong learning objectives and infrastructure. The outcomes will be instructive.

Britain

If Sweden and the United States illustrate the evolutionary development of policy aligned with basic traditions in the national culture, recent British development shows a bold and revolutionary attempt at cultural change in order to create a competitive learning society attuned to the conditions of the modern world. This cultural revolution aims to transform Britain from a 'low skill low trust' society to a 'high skill high wage' society able to compete in the modern economy.

The vision for this transformation was set out in the British Government's 1998 green paper *The learning age*. This vision statement was followed up by the Government's white paper of June 1999 *Learning to succeed: A new framework for post-16 learning* which outlined structural reforms to build a learning society.

The main initiatives to develop infrastructure to build partnership and a learning culture have been:

- a mandated system of local Lifelong Learning Partnerships
- a local network of Learning and Skills Councils to come into operation in April 2001 which will replace the network of Training and Enterprise Councils (TECs)

While much of the British approach is revolutionary in its impact, the initiatives, as in America, build on the previous pattern of development. The new Learning and Skills Councils will build on the infrastructure established by the locally oriented TECs which had been modelled on the American Private Industry Councils. In this way both Britain and America are seeking to strengthen and extend a tradition of local initiative which has deep roots in the culture of the country. It is significant that the Australian tradition of state-initiated action in sectors like education and health is different.

Lifelong learning partnerships

In November 1998 the British Government announced a commitment to planning for strategic local lifelong learning partnerships.[10] These partnerships are being established across Britain with some 100 partnerships to be established. Core members of the partnerships will be local education authorities, further education colleges, and the Careers Service, while other stakeholders such as employers and community bodies may be members. The expectation is that these stakeholders will join partnerships.

These partnerships have two core roles and a number of subsidiary roles. The core roles are:

- to identify local learning and skill needs and to advise the local Learning and Skills Council on these needs
- to provide a forum for dialogue and collaboration among local stakeholders

Linked to these core roles are a number of subsidiary roles. These include:

- taking action to progress national learning targets in the local area
- fostering innovation in meeting local needs

The role of the partnerships in advising local Learning and Skills Councils is clearly a significant one. It is important that the councils are well informed on local needs and conditions.

There are clearly similarities between the role of the British partnerships and the American STW partnerships discussed above, in such aspects as the structure of mandated and optional members and the general role of fostering dialogue and collaboration. Both systems also have to relate to the new structures for workforce development instituted by the two governments.

Learning and Skills Councils

The second arm of the infrastructure reforms announced by the British Government in 1994 involves the establishment of a national network of local Learning and Skills Councils which will replace the existing network of Training and Enterprise Councils.

This major development was announced by the government in its June 1999 white paper *Learning to succeed: A new framework for post-16 learning.*[11] The white paper involves a new approach to skill formation across all post-16 learning and aims at greater coherence and flexibility in provision in response to rapidly changing needs.

The white paper generally adopts a demand-side orientation based on the principle that systems should be learner-driven and responsive to the needs of individuals, businesses, and communities.

The new national network of some 50 local Learning and Skills Councils will link to a national Learning and Skills Council for England which will drive the national effort for skill enhancement and building a learning culture.

The work of the national Learning and Skills Council will include:

- replacing the Further Education Funding Council as the funding body for English further education colleges
- funding Modern Apprenticeships and National Traineeships
- developing, in partnership with local education authorities (LEAs), arrangements for adult and community learning
- advising the government on the national learning targets

A key development in these arrangements is to link the skills formation role previously undertaken by the TECs with the work of adult and community education. This involves a recognition that lifelong learning in a learning society requires a convergence of general and vocational education and close linkages between the work of the education and training sectors.

The focus on meeting local skill and learning needs in the work of the local Learning and Skills Councils reflects a policy position that we found across all the countries studied. Labour market and skill needs in a context of exponential change requires that the distinct needs of local labour markets be addressed through active collaboration between all stakeholders.

Private initiatives to build partnership

In addition to government infrastructure policies, it is important to recognise that much partnership development in these countries has resulted from private initiatives. One of the key areas of government infrastructure policy has been to provide a framework and incentives for individual initiatives.

A diverse range of partnership models have resulted from private initiatives. These include:

- the network of British Learning Cities
- the spectrum of partnership models resulting from industry initiatives in America[12]
- the action of American foundations such as the Annenberg Foundation in promoting education/industry partnerships

Private initiatives for alliance and partnership development are particularly common in the United States, and reflect the quality of 'spontaneous sociability' and the enterprise tradition of American life that we discuss below, and more generally the 'American way' of social and economic reform. The overarching recommendation of the United States Leadership Group convened in 1999 by Vice-President Gore was to initiate new partnerships and collaboration.

A key element in this approach is the role of a range of intermediary bodies in brokering alliances and partnerships. Intermediary bodies in the American context include industry and business associations, such as the National Alliance of Business, bodies established by the Chambers of Commerce and Manufacturers, foundations, and organisations such as Jobs for the Future which reflect the strongly entrepreneurial stream of American life which manifests itself in social and community activity as well as in the economic domain. The November 1999 report of the American Leadership Group cited a wide and diverse range of partnerships brokered in many different ways.

Building and regenerating community

A further key ingredient in the policies we observed was the way in which infrastructure and partnership policies were used to address disadvantages in poor communities in order to build and regenerate communities. Learning and training strategies were frequently built into these community regeneration programs so that linkages were attained between learning and training and broader economic and social objectives, and so that equity objectives were pursued in a broader framework of action.

The Single Regeneration Budget in Britain provides an example of this approach, as do Learning Cities, while in America the Rural Empowerment Zone and Enterprise Community Program (EZ/EC) illustrates broadly based community regeneration action. While this program is administered by the Departments of Agriculture and Housing and Urban Development under the Presidential Empowerment Initiative, other departments, such as the Department of Education contribute to its objectives.

The EZ/EC program demonstrates new forms of public/private partnership with learning strategies strategically linked to community-based partnerships directed at community empowerment. A number of EZ/EC projects have much in common with British learning city developments (and the new Lifelong Learning Partnerships). Overall, the EZ/EC program approach illustrates the key relationships which are evolving between infrastructure policies, and demonstrates partnership development, learning strategies, the building of social capital, and community development. These are strong grounds for taking the view that these relationships will be a key to building a learning and training culture in a learning society and in addressing disadvantage as a necessary step.

It is important to recognise that community capacity-building in the context of the 'new economy' is not only a matter of regenerating disadvantaged communities, but is relevant to all communities. The British NAGCELL report recognised the relevance of an active civil society to both social and economic outcomes in its advice to government on creating a learning culture in Britain.[13] This advice also recognised the 'critical importance of intermediate networks of voluntary and community activity' and the need for rich patterns of sociability in an active civil society.[14] This view, which we share, points to the key role of adult and community education in extending intermediate networks and of strategies such as Learning Cities which depend on individual initiatives to build and extend networks in an active civil society. It also provides a necessary conceptual framework for a relevant concept of corporate citizenship.

Social capital, human capital, and culture

> *Social capital, the crucible of trust and critical to the health of an economy, rests on cultural roots.*[15]

Infrastructure policies to foster collaboration and partnership may be seen as building social capital in these localities. These developments raise key issues involving the role of human and social capital in sustained economic development in the conditions of the twenty-first century, and the influence of culture and learning strategies on the accumulation of these forms of capital.

OECD has defined these concepts in the following way:

- *social capital* refers to aspects of social life—the existence of networks, institutions, policies, norms and relationships—that enable people to act together, create synergies, and build partnerships;
- *human capital* has been traditionally understood to mean the knowledge, skills and competencies embodied in individuals.[16]

OECD in its work on social capital has recognised that it is the result of complex interaction between historical and cultural factors. This approach accords with the findings of Robert Putnam in his seminal study on civil democracy and social capital in regions of Italy where he compared northern regions such as Emilia Romagna with regions in the south of Italy.[17]

The work of Victor Pestoff on social enterprises and civil democracy in Sweden examines the Putnam thesis in the context of the role of social enterprises such as co-operatives and non-profit organisations in Swedish society.[18] Pestoff, like Putnam, saw a link between voluntary co-operation (or partnership) and social capital with 'horizontal networks of civic engagement' having a major role in fostering such voluntary co-operation and building social capital.

Partnership developments we have observed, such as British Learning Cities and the wide range of American alliances and partnerships, would appear to be important in building social capital and in encouraging values, such as trust, which underpin this development.

Cultural influences appear to be important in influencing, or inhibiting, such development. The work of Francis Fukuyama on trust points to the influence of cultural factors such as 'spontaneous sociability' in this development with significant differences between countries in the existence of this quality.[19] The United States and Germany were seen by Fukuyama as high trust societies.

Fukuyama also saw families and communities as major bridges to sociability, the forging of trust and the accumulation of social capital. This underpins the growing interest in family strategies in both the United States and Britain.[20]

We observed the quality of spontaneous sociability in American culture in the vast range of forms of partnership models reported in the American literature.[21] The two competing traditions in American life appear to converge in the many entrepreneurial thrusts which have led to a range of intermediary bodies (such as Jobs for the Future) which have a key role in brokering alliances and partnerships, and in the willingness of many American firms to support community action to improve and extend education.[22]

While the link between culture and social capital is clear, the further question of the relationships between social capital, human capital, and economic outcomes requires further work, as the OECD recognises.[23] The OECD will be undertaking work on these issues in 2000.

The important implication arising from consideration of infrastructure and partnership development in the countries we examined relates to the role of infrastructure policies in fostering partnership development and the accumulation of social capital. The available evidence points to the key role of such policies in building a collaborative learning culture. Further evidence will become available as the various partnerships thrusts we observed mature over time, and the outcomes of British and American infrastructure policies are evaluated and documented.

Network building, values and innovation

A further key relationship that emerges from our overview of infrastructure and partnership policies is the link between partnership and network building, values and innovation. This is a crucial connection in the emerging knowledge-based economy.

Research has shown how linkages fostered the flow of new ideas and so served as a prime source of innovation and growth. This reality of the new economy may be observed in innovative regions such as Silicon Valley and Route 128 in Boston, and in the strategies adopted by many leading edge firms.[24]

In our discussion of Sweden and Germany we have pointed to the values, such as trust, which underpin civic elements in society, and which build social capital. The links between these components of a community-oriented culture, the disposition towards learning and innovation, and economic outcomes is crucial for future Australian development.

These interdependencies require a deeper understanding of the influence of culture on innovation and economic outcomes, and of strategies that build partnership and shared values such as trust.

New systems and structures for a new world

> *The world has changed and the current systems and structures are real obstacles to success.*[25]

The infrastructure and partnership reforms discussed above reflect a widely held conviction across the countries that we studied, in particular in Britain and America, that the radical changes in the environment of the economy, work and education require new systems and structures that are more responsive to the emerging conditions.

The essence of the new approach is for arrangements that stimulate partnership and a shared sense of responsibility for meeting the challenge of the new world. A learning culture in the present context is by its nature a partnership culture, so that the policies discussed in this chapter involve major steps towards building such a culture. The links between infrastructure policies, forging partnerships, strengthening community and accumulating social capital appear central to the goal of building a competitive learning culture that is resilient to the challenge of twenty-first century conditions.

The reforms also link skill and learning objectives in various ways, with the policies adopted in Britain providing the strongest nexus. Nevertheless, policy in all countries is moving in the direction of forging skill and workforce development strategies that link to lifelong learning objectives. The diverse suite of strategies followed offer a broad spectrum of options that could be relevant to the task of building a learning and high-skill culture in Australia with a capability for enterprise and innovation.

Implications for Australia

We have identified this area as the one which has key implications for Australia. Australia is deficient in infrastructure policies which build partnership and community at a local level to forge a learning culture to underpin economic and social progress. Australia contrasts with all the countries studied in this respect. While this situation is the product of Australia's history and pattern of development, the critical need now exists to develop infrastructure policies (and associated incentive, information and marketing policies) to foster partnership and collaboration among stakeholders, and to build social capital and community. A range of models exists in the policies adopted in Britain and America and which were outlined in this chapter. Action in this critical area could underpin and support all the other policies discussed in this report, and could support current Australian policies such as marketing VET, promoting New Apprenticeships, and building an innovative culture.

Notes

1 Fukuyama 1995, p.218.
2 Hampden-Turner & Trompenaars 1993.
3 Fukuyama 1995.
4 Ibid, p.217.
5 CEDEFOP 1999, p.6.
6 Fukuyama op.cit., p.307.
7 Departments of Education and Labour 1998b.
8 National School-to-Work Opportunities Office 1998.
9 Ibid.
10 Letter of 4 January 1999 from Secretary of State for Education and Employment to national organisations.
11 Secretary of State for Education and Employment 1999.
12 See 1999 report of Leadership Group for extent of this development.
13 NAGCELL 1999, pp.24–27.
14 Ibid, p.24.
15 Fukuyama 1995, p.33.
16 OECD 1999d, pp.3–4.
17 Putnam 1993.
18 Pestoff 1999.
19 Fukuyama 1995, pp.338–9.
20 See, for example, NAGCELL 1997, pp.57–8. The US Department of Education funds a Partnership for Family Involvement in Education Program.
21 See, for example, the report of the Leadership Group, and Skills for the 21st Century.
22 A wide range of examples is given in the report of the Leadership Group.
23 OECD 1999f.
24 See, for example, the case studies in Halal (ed.) 1998.
25 Secretary of State for Education and Employment 1999, p.15.

5 Developing active access strategies in a lifelong learning perspective

The problem

As already noted in chapter 2, developing a learning and training culture hinges on implementing effective strategies for lifelong learning. It is a truism to say that enhancing access to learning opportunities throughout the population, and in the various settings, formal and informal, where they take place, is essential to the success of such strategies. However, the problem of access is complex.

There is, first of all, a purely *quantitative* dimension; that is, participation rates in various forms and at various levels of education and training. These are easy to establish and monitor in formal, institutionalised settings; more difficult when it comes to on-the-job training and various forms of adult education, including informal learning. Secondly, there is a *qualitative* dimension, relating to performance and outcomes of these programs and their relevance to further learning and career opportunities for the individuals concerned. Thirdly, there is a *social* dimension; that is, who participates and who benefits, with special concern for the situation of various disadvantaged groups and how, through learning, their social exclusion could be overcome. This will be a central concern of the present chapter. Lastly, there is a *financial* dimension; that is, the marshalling and distribution of resources and the overall affordability of measures to remedy identified gaps in relation to the above which is currently the subject of a major investigation within the OECD.

Participation targets

In its follow-up to its influential report on lifelong learning[1], the OECD has encouraged its member countries, among other things, to survey their lifelong learning goals and identify the strategies they are pursuing in filling identified gaps. To this end, it proposed the following participation benchmark targets for foundation learning:

- 90 per cent of 18-year-olds to complete upper secondary education or equivalent apprenticeship training
- 25 per cent of 30-year-olds to have completed a non-university, tertiary program
- 30 per cent of 30-year-olds to have completed a short university degree program
- 13 per cent of 30-year-olds to have completed a long university degree program

- 20 per cent of poorly qualified adults (that is, lower secondary education or below) to participate in basic adult education each year
- 100 per cent participation of long-term unemployed adults in training programs each year
- 40 per cent of employees to participate in job-related training courses each year[2]

That countries, in spite of differences in their education and training systems, were on the whole able to respond positively to this benchmarking is indicative of its value, however rough, as a helpful basis for estimating—and monitoring—country progress towards a system of lifelong learning.

The general picture which emerges is that for high-income countries these targets are attainable, and in some they have already been attained, at least in what concerns initial, secondary and tertiary education. Sweden, for example, reports that 'the quantitative goals appear to be broadly attainable and the goals themselves correspond fairly closely to the political ambition levels formulated by the government for the next few years'.[3] That the expansion of numbers is not an issue is also underlined in the Netherlands report, although the age at which the various targets are to be achieved is somewhat deferred because of the idiosyncracies of the Dutch educational system under which it is not possible to complete all types of upper secondary education before the age of 27. This corresponds to the national policy aim of almost getting everyone by this age to the so-called 'starting qualification'.

It is interesting to note that the enrolment rate in formal education for persons aged 30 and over is still rather limited and also varies significantly from country to country. Australia, with an overall rate of about 19 per cent, is at the top of the list, but many of the enrolments are for very short periods.[4]

The above analysis suggests that for high-income countries, the concern of access policies within the formal education and training system is no longer one of numbers—except in the case of pre-primary schooling which is as yet by no means generalised even though its importance in the subsequent educational careers of children is increasingly recognised. In countries with strong systems of apprenticeship, problems of numbers may still arise, depending on the employment situation. For example, the new German Chancellor considered it as a great success to have persuaded the employers to agree to an additional 10 000 apprenticeship places for the year 1999. The issue is rather with what changes are needed to the objectives and functioning of various levels of the formal system to align it to the perspective of lifelong learning. These will be considered under chapter 6. There is, however, a broader concern with improving access to both formal and post-formal learning opportunities for special groups in society, particularly the socially and educationally disadvantaged, and to this we now turn.

Enhancing access for disadvantaged groups

The objective of lifelong learning for all has given rise to renewed policy interest in equity issues, reflected in the attention which is now being paid to addressing the education and training needs of traditionally disadvantaged groups, such as the unemployed, those in danger of unemployment, adults with poor initial education, people with disabilities, older workers and senior citizens, and in many cases, women. This concern was amply borne out in all the five countries which we studied. We noted a particular focus on active labour market initiatives designed to give these groups access to both education and training opportunities and experience of work. There was also evidence of a redesigning of social security and benefits systems to ensure that there is a greater incentive to undertake education and training or experience of work than to rely on state benefits.

This concern for the educationally disadvantaged, and how to ensure that they have equality of access to lifelong learning opportunities, stretches back into the formal educational system itself, enshrined in the dogma of 'positive discrimination'. Long cherished in the United States, in spite of all the controversies to which it has given rise, it is now resurfacing in many European countries as evidenced in the series of national reports submitted to the OECD in its lifelong learning monitoring exercise.[5]

It is particularly evident in relation to higher education. It is shown in the increasing move towards targetted support for fees, grants and loans for those who most need them, rather than the provision of across-the-board entitlements for access to tertiary studies. It is particularly strong in England, the Netherlands, Sweden and other Nordic countries. In England, for example, higher education institutions are given preferential grants if they recruit students from the lower socio-economic strata. In Sweden, the government has continued to fund local universities which are smaller in size and not as cost-effective as their larger counterparts because these local institutions have done a great deal to attract students who would not have previously participated in higher education.[6]

The crucial role of adult education and training

As much as formal education can do to ensure access to lifelong learning opportunities for disadvantaged groups, it is generally recognised in the countries studied that the focus of remedial policies resides in the adult education sector. This is interpreted to include (in addition to traditionally defined adult education programs), basic skills and self-improvement education, labour market training for the unemployed and other special groups and enterprise-based training, both formal and informal. This concept overlaps with the concept of VET in Australia.

It is a sector of shared responsibilities in which governments shoulder the burden of providing for the unemployed and, in co-operation with local authorities and communities, support adult education programs, while responsibility for those is employment is left to employers and enterprises. This pattern is found across Sweden, Germany, and the Netherlands. The strategic use of adult education by the Swedish Government is discussed in appendix 2. This role includes the Adult Education Initiative launched in 1997 which aims to further strengthen the role of adult education in access strategies. Thus, a central policy issue is how to develop effective partnerships among the main actors and thereby bring about greater coherence across the field as a whole. Setting the framework within which this can be achieved is the responsibility of governments. That this is no easy task is underlined by the prevailing diverse nature of activities in each of the three sectors, their extent and funding, and by the absence of reliable data and other information.

Adult general education

This generally includes various forms of 'second chance' education in basic skills and general secondary school subjects, usually provided in public institutions, organised at local level, as well as 'leisure and community' education, provided by municipal authorities and a variety of voluntary associations with relatively little co-ordination among them or with the schools sector. Funding is always precarious, depending as it does on marginal public contributions and on fees from individuals. Thus, its contribution to social inclusion and community-building is limited, since access to it depends on the ability to pay, and it is often the most socially marginal who have least access to it. This, of course, does not apply to the Nordic countries with their strong traditions of adult education. In Sweden, for example, where adult education is funded by the municipalities, general central funds are available through the Council of Popular Education, and public loans for living, buying study materials etc. are available to most of the students in adult education.[7]

Innovation in outreach

A feature we observed across the five countries was considerable innovation in the development of new ways of attracting non-participants into learning activities, often as a result of private initiatives. Such methods included learning shops and learning festivals in Britain (which have been an outcome of the Learning Cities development) and learning boutiques in Denmark, Germany, France, and Iceland.

Learning boutiques mediate between learners and providers in a friendly supportive way with the roles of 'guide', 'teacher' and 'entrepreneur' defined in different ways to the traditional formality of the education system.[8] Learning boutiques are a product of the Nordic popularist education movement, and illustrate the continuing inventiveness of this tradition in facilitating access and participation.

We observed other innovative approaches in existing access strategies with popular culture. The union role, while traditionally important in Sweden, Germany, and the Netherlands, has been strengthened in Britain and the United

States so that in Britain, the General Secretary of the Trades Union Congress, John Monks, could describe the role in the following terms:

> *Our role in the trade unions in Britain at the moment is to be ambassadors for learning both to press employers to do more and to press workers to take up opportunities.*[9]

Labour market training for the unemployed

Within their responsibility for unemployed adults, most governments provide a variety of special schemes to enhance the employability and employment of such adults. These range from information and guidance services to programs for retaining, skills enhancement and job search, funded principally from central government sources. The extent of these programs and the volume of resources devoted to them are difficult to estimate because they operate under different ministerial auspices, a further indication of the absence of co-ordination at the level of government itself.

More recently, and as a part of their active labour market policies, a number of countries (of which England is a good example) has moved in the direction of a more constructive use of unemployment benefits by making entitlement to such benefits conditional on being used for further education and training purposes to enhance the employability potential of the incumbents concerned. In this way, the level of direct government support for access to lifelong learning opportunities is raised.

In addition, a number of indirect measures have been put in place to increase the availability of resources for work-related lifelong learning. These range from tax-deductability of training expenses to training levies that legislate compulsory spending on training of workers and to other policies that may indirectly affect training, such as equality of opportunities laws. (Affirmative action programs in the United States have been shown to have had a positive impact on increased access to training opportunities.) The following are illustrative examples of the range of measures available.[10]

- *Tax and other fiscal incentives:* Most countries allow for the immediate and full tax deductability of training expenses incurred by firms. Some countries; for example, the Netherlands, also allow individuals to deduct training expenses from personal taxation. The Netherlands has, in its 1997 budget, also legislated larger tax discounts for training expenses of small-and-medium-sized firms and for any training directed at older workers over forty. Sweden provides an example of targetted government subsidies to companies for training where such needs arise out of restructuring; where there is a labour market need over and above the specific need of that company; or where workers need retraining prior to redundancy.
- *Employment leave for training:* Many countries, including Austria, Belgium, Denmark, France and the Netherlands, grant workers a right to paid training leave, if they can choose to take it up. Generally, it is likely to be the more educated, full-time workers who will make use of this right.

- *Levy schemes:* Tax levies that oblige employers to spend a certain percentage of their total wage bill on training (or if they fail to comply, pay the corresponding amount to the government) are in force in a number of countries; for example, France, Italy and the Netherlands. In France, a tax levy policy was introduced in 1971. The percentage of the wage bill to be spent on training is currently set at 1.5 per cent. The Netherlands has voluntary levies in about 60 sectors, mostly paid by employers and usually as a proportion of payroll (average 0.5 per cent). The merits and demerits of levy schemes remain a subject of ongoing debate.[11]
- *Collective agreements:* Denmark and the Netherlands have training funds that are run by collective agreements between employers and unions and which are also supplemented by government funds.
- *Personal training accounts:* This is a new idea designed to provide additional incentives to individuals to invest in their training and self-improvement. It is best exemplified in the 'individual learning accounts' recently initiated in England, funded jointly by individuals, firms and the state.

Although the impact of these measures has not as yet been fully evaluated, there is no doubt that they have helped expand the volume of work-related training. Whether this expansion has improved the quality of training and access to learning opportunities by disadvantaged groups remains an open question.

Enterprise-based training: An overall picture

Lack of data, particularly internationally comparable data, makes it difficult to produce an overall picture of the nature and extent of enterprise-based education and training, its impact on the performance of firms and on participation rates of different social groups. There is indeed a growing volume of research studies in this field, conveniently presented and analysed in the 1999 *Employment outlook* of OECD, already quoted. The focus of such studies is on cost-benefit aspects, the rationale being that demonstrating to employers the economic benefits of training is the surest way of convincing them to invest more in it. No attention is being paid to the value and role of *informal* learning—learning by doing, watching other workers, being shown by supervisors or other workers, or reading a manual—better knowledge of which would add greatly to an understanding of the current level of lifelong learning and of ways to improve it, although this is regarded by Nonaka and Takeuchi as the distinctive strength of Japanese companies in the knowledge era.[12]

At the international level, the best available source is to be found in the results of a detailed survey of continuing education in enterprises, carried out in 1994 by the Commission of the European Union in EU member countries.[13] We cannot do better than present a summary of the general conclusions which emerge from this survey as an overall picture of the state of play in this area, which is also borne out by current OECD work.[14] These conclusions are as follows:

- There is considerable variation across countries, training being more extensive in northern European countries as against the southern ones.

- Training tends to be provided disproportionately for those with more education and higher levels of literacy.
- Participation rates rise quite strongly with the level of income, although those on low income who do receive training tend to receive more hours of training.
- Men and women in employment participate at fairly equal rates, although women may receive less employer support and less hours of training over a lifetime.
- Participation in training activities declines with age, but less so in the US and Nordic countries.
- Part-time workers and casual workers participate less than do full-time permanent workers.
- Workers receive more training in countries with higher levels of educational attainment, high R&D and high trade in 'high tech' production.
- The amount of training is directly related to the size of the firm—the larger the firm, the higher the levels of training.
- Training is higher in unionised workplaces.
- Workers in managerial, administrative, professional or senior professional jobs have a higher-than-average intensity of training; operators or labourers have low levels of training.
- There is a higher incidence of training in finance, insurance and business services, community, social and personal services, mining, utilities and public administration.
- Agriculture and construction have relatively low levels of training.
- Self-employed undertake less training than employees, as do the unemployed and those not in the labour force.
- Workers reporting recent training are paid more than other workers, but the strength of this relationship varies across countries.
- The average of employer expenditure on training as a percentage of total payrolls is 1.6 per cent, with a low of 0.8 per cent for Italy and a high of 2.7 per cent for the United Kingdom. The figures for Germany and the Netherlands are 1.2 and 1.8 respectively.

These conclusions speak for themselves and give clear indications of the areas and target groups which call for greater attention. One consequence worth noting arises from the strong link between national levels of educational attainment, on the one hand, and the level of workforce training, on the other. This suggests that a strategy for strengthening schooling is a potent means of encouraging participation in continuing education and training. More generally, targetted policies to enhance the incentives and resources for improving the access to continuing training of workers typically receiving little training—mostly the disadvantaged—are of particular importance.

Conclusion: The need for a comprehensive approach to access policies

All countries recognise the need of more active strategies to widen access to education and training opportunities throughout the population as an essential component of policies for lifelong learning. And they would readily admit that a piecemeal approach, in the form of discrete measures of the kind indicated above, will have but a limited impact unless they are part of a concerted effort, properly co-ordinated, not only within the education and training sector but with other areas of policy as well. Yet few are the countries where such co-ordination has been effectively applied and even fewer those which have taken the bolder initiative of promulgating comprehensive frameworks and concrete plans for action to achieve the objective of lifelong learning. Among the latter, representative examples are England, the Netherlands and Sweden. The United States, where access is both more widespread and more diverse, is a case apart because of its particular circumstances which give rise to a number of models across the country rather than one single national model.

While the overall objective in the three European countries cited above is similar, the approach to it is different, reflecting their respective national traditions as described in chapter 2. In England, a coherent and well-resourced set of activities has been grafted onto the existing system, but setting in motion new mechanisms and instruments, based on partnerships and networking and various kinds of incentives, all designed to give pragmatic meaning to the concept of a learning society. In the Netherlands, a reinforcing of the consensus-based nature of decision-making to extend learning opportunities across all groups in society has taken place, with increased emphasis on devolution of responsibilities to local authorities and communities. In Sweden, the adult education tradition has been expanded to an all-embracing system of educational provision that also contributes to the solution of labour market problems and combats social exclusion.

Extending access to opportunities for non-participants and enabling disadvantaged groups to be active citizens in a learning society is probably the most difficult challenge in building a learning culture. All the policy instruments discussed in part III of this report are relevant to this objective and have been used in the five countries we studied. A key objective in this endeavour is ensuring foundations for all which we discuss in chapter 6 which follows.

Implications for Australia

This is one of the key areas for policy in Australia. Change in the economy and in work are compounding the disadvantage of some groups and communities. Isolated and fragmented policy responses are inadequate and the need exists for a national framework to cement action across sectors in the fight against exclusion, with 'joined-up' policies and close monitoring of progress. Strengthened co-operation at a local level, within a national framework, is a key requirement. The national learning targets adopted in Britain, with a requirement for local co-operative action through Lifelong Learning Partnerships and the Learning and Skills Councils, exemplifies an interesting approach with these features.

Notes

1 OECD 1996a.
2 OECD 2000b (forthcoming).
3 Ibid. p.20.
4 OECD 1999a, p.13.
5 Usefully summarised in OECD 2000b (forthcoming).
6 Ibid., p.45.
7 Sohlman 1998, pp.4–5.
8 Bisleth 1998, p.2.
9 Monks 1998, p.2.
10 OECD 1999a, pp.165, ff.
11 In the case of France, a recent report by the National Institute for Education and Employment Statistics (INSEE) draws a dismal picture of the effects of the levy system. Originally designed to give people without qualifications a second chance, the beneficiaries are in fact those already well qualified at the executive grade (45 per cent) with only 8 per cent of trade and services employees and a mere 0.8 per cent of unqualified workers.
12 Nonaka & Takeuchi 1995.
13 European Union 1999.
14 OECD 1999d and OECD 2000b (forthcoming) p.18.

Part III
Policy target areas and instruments

Part III of the report is focussed on five policy areas which have significance in national strategies to build a learning and training culture.

These relate to ensuring that foundations, incentives, information and marketing, the role of technology, and private sector practices are linked. While we have discussed each of these policy areas separately, the linkages and connections between policies in these areas are critical in the drive towards building a learning culture. Some of these linkages are discussed in chapter 3 in the context of policy co-ordination, with strategies for concerted action at the local level especially significant. All policies discussed support action to build infrastructure, partnership, and community in the drive towards a learning society and to widen access so that the ambit of a learning culture extends to all.

6 Foundations: Strategic areas and bottlenecks

The argument

In this chapter we argue that widening access, although essential, is not in itself an adequate condition for the success of strategies for lifelong learning. To achieve this, they need to be accompanied by corresponding changes to the delivery system, in terms of the quality and relevance of the learning opportunities on offer. This applies in particular to foundation education and training; that is, the setting-up of effective systems of *basic educational preparation for all* as the defining condition for the subsequent development of individuals and as the essential foundation for a learning culture.

Basic educational preparation

For the purposes of this analysis, basic educational preparation is interpreted to include all the educative activities, including training, by which children and young people are enabled to master a core of essential knowledge and skills and acquire the values and attitudes that prepare them effectively for adult life and the worlds of work and further study.[1] A vital part of this preparation is the inculcation in individuals of a propensity to indulge in continuous learning—learning to learn. This propensity, once acquired, remains in operation throughout life. It is the prerequisite to the advent of a learning culture.

Thus seen, the coverage of basic educational preparation is very broad. It extends from pre-primary education, through initial compulsory schooling, upper secondary education, including vocational education and training under apprenticeship schemes, and in many cases increasingly reaching out into the first cycle of higher education studies—in other words, all the educative activity before young people are firmly established in adult life. The age of completion varies from country to country, according to the articulation of their education and training systems, and between different categories of study courses. In the Netherlands, for example, for students in certain branches of vocational studies, it is estimated that basic preparation is not completed before the age of 27. This prolongation of the period of basic preparation is a distinct feature of modern times brought about partly by the expansion of the knowledge and skills base required before entry into working life and partly by the increased competition for jobs resulting from high levels of youth unemployment—both leading to the need of ever-rising levels of basic qualifications. There have also been concomitant changes to the definition of the core subjects that now need to be included in the school curriculum. For example, information technology together with computer literacy is becoming part of the 'basics'.

In looking at the overall role of basic educational preparation, three general features that characterise the system have to be kept in mind. Firstly, there is general recognition, which is also shared by employers[2], that what is required of this level is to endow young people with a solid all-round general education and generic skills on which to build their subsequent careers rather than to prepare them for job-specific purposes. Specialisation is thus increasingly deferred to later stages, including the workplace. Japan is a typical example of this, but it also applies to other countries, such as Sweden with school-based training systems. It is less so in countries, like Germany, where the apprenticeship system dominates, based as it has traditionally been, on training in specific trades or branches of trades. Giving apprenticeship training a wider, more flexible scope is in fact one of the main objectives behind current efforts at reforming the system in Germany, Britain and elsewhere.

The second major concern relates to equity issues and arises from the persisting phenomenon of school failure; that is, the fact that, in spite of the democratisation of education and all the reforms that have been put in place to enable everybody to benefit equally from its provision, a significant minority in all systems—between 15 and 20 per cent—leaves compulsory schooling without having achieved a valid qualification. The phenomenon of 'early leavers' surfaces also at the upper secondary school level. The bulk of these 'failures' comes from the socio-economically disadvantaged groups, who thus see their disadvantage further augmented, and they are the ones who will not benefit from subsequent learning opportunities. In the context of strategies for lifelong learning, combating school failure remains an acknowledged top-priority, not only for educational, but also for social and economic reasons.

Finally, account needs to be taken of the distinctiveness which characterises the two main stages of the system of basic educational preparation: that which concerns the initial phase of education, from pre-primary to the end of compulsory schooling (from age 3–4 to age 16); and that at post-compulsory level, usually referred to as upper secondary, catering as a rule, to the needs of 16–19-year-olds. The latter, though not compulsory, has by now become quasi-universal in most high income countries, with the vast majority of youngsters in this age-group participating either in full-time education and/or training, or in combinations of work experience and training. It is this latter stage, concerned as it is with the transition from school to further study or to work, or combinations thereof, that is currently the subject of close policy attention and the one on which the discussion will concentrate after a brief look at the initial education stage.

Initial education

As already indicated, the major policy concern at this level is with how to develop an inclusive system which ensures high quality education for all. It is a sign of the times that quality is increasingly judged by pupils' achievement in the traditional basic subjects, essentially literacy and numeracy. The findings by international surveys[3] of significant levels of adult illiteracy in highly developed societies, together with poor achievement levels of pupils in both language and mathematics derived from national surveys, has significantly reinforced the 'back-to-basics' movement. In England, for example, raising standards and attainments in these subjects has become the object of a national, government-led campaign.

Parallel to this, there is a resurgence of initiatives to encourage schools to be more innovative, in terms of organisation, content and structure of studies (but within the framework of increasingly centrally laid down core curriculum), teaching methods, particularly in connection with information and communications technology relations to the community and aligned to the lifelong learning perspective.[4] Increasing pupil motivation is a common objective of such endeavours, as is the forging of closer relations between schools and their immediate environment, including the world of work, often taking the form of partnerships between schools and local organisations, usually addressing the needs of disadvantaged groups. In England in 1998, for example, the government launched new partnership projects for disaffected adolescents, bringing together schools and local organisations in work-related activities.

The partnership concept is increasingly used in many countries to improve the educational potential of 'at risk' groups in society. In England, it has been further developed by the 'Education Action Zones' initiative, launched by the government in 1998. Partnerships of local education authorities, parents, businesses and Training and Enterprise Councils have been invited to bid for funds for innovative projects that will yield higher levels of achievement and increase students' motivation levels. Projects can include specialist schools (for example, in the arts, languages or technology), literacy summer schools, family-learning schemes and work-related training.

A similar approach is reflected in the Education Priority Programme in the Netherlands and in the Priority Education Zones in France. In the latter, a recent main focus is on extending pre-school provision for disadvantaged children as of age 2, in order to increase their chances of educational success later on. In other European countries, including Germany, the Netherlands and Sweden, specific legislation has been enacted to integrate services across the board for children and families at risk.[5]

In terms of the equity issue, one clear conclusion which emerges from the developments outlined above is the growing recognition that *early childhood education and early intervention programs in primary schooling* are important aspects of a strategy aimed at equal opportunities in foundation learning and in assisting children and young people at risk. There are many examples of programs specifically designed for this purpose, a good illustration of which is provided by the Head Start program in the United States. Launched in 1965, it is a comprehensive pre-school development program where the main goal is to improve the social competence of 3-to-5-year-olds from low-income families. It delivers a wide range of services: health, education, parental involvement and social services. Federally funded, it has seen significant expansion over its life-span, in terms of both enrolments and expenditure—a sure indication of its success, even though researchers are not agreed on its specific outcomes.[6] What is certain is that, like other similar programs, its long-term potential depends heavily on its positive discrimination provision being followed through into the subsequent stages of initial formal education.

Employability as a foundation concept

A significant development that we observed, in particular in Britain and the United States, was the concept that the foundation education system should develop and integrate skills as a basis for lifelong employability. This concept is perhaps best exemplified in the discussion papers and action agenda issued by the Confederation of British Industry (CBI) discussed in chapter 7 as powerful new incentives towards lifelong learning for individuals.[7]

The definition of employability used by CBI cited in chapter 7 links foundation skills with change in work, building learning perspectives and the personal fulfilment of individuals. These connections are further illustrated in the components of employability given in the CBI discussion paper and the measures proposed by CBI to assess improvements in employability.[8]

Figure 2: Qualities and competencies which make up employability

- values and attitudes compatible with the work—including a desire to learn, to apply that learning, to improve and to take advantage of change
- basic skills (literacy and numeracy)
- key skills (communication, application of number, information technology, improving one's own learning and performance, working with others, problem-solving) sufficient for the needs of the work
- other generic skills that are becoming increasingly 'key'—such as modern language and customer service skills
- up-to-date and relevant knowledge and understanding
- Up-to-date job-specific skills
- the ability to manage one's own career

Source: Based on CBI 1998b.

Embedding the foundations for these attributes in basic educational preparation will be a further step towards building a learning culture relevant to the life of individuals in the 'new economy'.

Beyond compulsory schooling: Pathways to adulthood

Upper secondary education and training; that is, the three to four years that follow on completion of compulsory schooling, has a determining influence in shaping the future career of individuals in their adult roles in society. It is also the stage at which the social selection function of education systems is most clearly manifested. Its importance in contributing to the development of a learning culture cannot be overestimated. It is no wonder, therefore, that it is at the centre of both education and employment policy concerns, and that it represents the area which has been the most subjected to intense scrutiny and efforts at reform.

The complexity of the problems involved, compounded by the wide differences of systems and practices across countries, makes this a particularly difficult area to examine. But at the risk of oversimplifying, it could be argued that the source of these problems is to be found in *the persisting dichotomy between general education, on the one hand, and vocational education and training, on the other*—a divide which is both caused and reinforced by the different, and largely socially determined, values which are attached to the two sectors. Bringing about greater convergence and permeability between these sectors is at the heart of many of the reform efforts currently under way.

Pathway models

Three principal types of pathways through upper secondary education and training and beyond it to work or tertiary education can be distinguished:[9]

- *General education pathways:* aimed at preparing young people for tertiary study, and prevalent in countries like Australia, England, France, Japan and the United States, the US being the most flexible one in that, unlike Sweden, it places few restrictions on the choice of subjects in its general education tracks.
- *School-based vocational pathways:* with their principal goal being the provision of an upper secondary level occupational qualification followed by labour market entry. Practical work forms a substantial part of students' programs of study, and generally this occurs in school workshops rather than in the workplace. In Sweden very few sectors of the labour market are occupationally regulated, and as a result, the link between the qualifications awarded to those in school-based vocational programs and particular occupations is relatively loose.
- *Apprenticeship-type pathways:* prevalent in the Germanic countries under the 'dual system', and directed exclusively to the objective of providing an occupational qualification. Students spend the majority of their time in the workplace, undergoing both productive work and learning, and a small part of their time in educational institutions. This is the model which has been least amenable to change over the years. It is discussed further below.

While in most countries elements from all three types of pathway co-exist, it is clear that many are now searching for a more unified model in which the sharp distinctions between general and vocational education pathways are toned down. In practice, this means raising the prestige and attractiveness of the vocational pathway by broadening its scope leading to a 'dual entry' qualification; that is, one which can lead to both employment and tertiary studies. The flexibility of the US system, through its community colleges and its modular organisation of courses, provides useful experience in this.

In European countries, moves in this direction are encouraged by the Commission of the European Union, as illustrated in the seven-country INTEQUAL project which analysed qualifications with a dual orientation towards the labour market and higher education. As part of this project the

Netherlands and Britain undertook joint research on how to ease the transition of students to higher education from senior vocational education in the Netherlands and advanced general national vocational qualifications (GNVQ) courses in Britain. Although still at the experimental stage, the results are promising.[10] Sweden has raised the duration of its upper secondary vocational courses from two to three years. The strategy in France, following the objective set of 80 per cent of upper secondary students reaching baccalaureat level, has been to introduce new types to the traditional baccalaureat vocationally defined and which give access both to employment and tertiary studies.

Apprenticeship

Apprenticeship programs, whether in countries like Germany where they are the dominant model for post-compulsory school vocational education and training, or in others, as in Sweden, where their role is marginal, come under the same pressures as those identified above; that is, the need for greater flexibility towards the provision of higher generic skills and greater openness to possibilities for access to further studies. It is significant that, in many countries, participation rates by youth in apprenticeship programs have been dropping during the nineties. The one reason universally given for this is young people's preference for programs with a larger component of general education. The New Modern Apprenticeship introduced in Sweden in 1998 and Modern Apprenticeships launched in England as a national initiative in 1994 have been designed to respond to this need.

This need is fully recognised in Germany itself, although it is also recognised that change is more difficult to bring about within the existing static structures. The substantial challenges facing the dual system are clearly defined by the Federal Ministry of Education, Science, Research and Technology as follows:[11]

- In view of the lasting trend towards studying at a higher education institution, seen by increasing numbers of young people as a very promising way of preparing for professional life, the dual system has to prove its worth as an attractive alternative to studying at a higher education institution.
- New fields of activity for highly skilled workers develop in the wake of technological and industrial change… In order not to miss the resulting opportunities for creating new trainee positions and new jobs, existing occupational profiles have to be modernised. In addition, new training regulations have to be developed and advanced vocational training has to be supported.
- New lines of training within the dual system must be opened up to ensure that all young people receive appropriate training.

These challenges apply across all countries, and how they are met will determine the future of apprenticeship schemes, particularly in those countries which have large apprenticeship systems. Such countries will, in particular, strive towards creating broader entry points to apprenticeship that allow young people better opportunities to sample and experiment before being selected into a particular apprenticeship; building better connections between apprenticeship and tertiary study; increasing the general education content of vocational programs; raising the theoretical level of the vocational content and creating special bridging programs or special tertiary courses and institutions.[12]

The issues under active examination in Britain, Germany and elsewhere are also very relevant to the implementation of New Apprenticeships in Australia. A strong case therefore exists for monitoring closely the developments in these countries in relation to issues such as those identified above. Much would be gained from a comparative study of experience and outcomes in the three countries.

Upgrading the basic skills of the existing workforce

A key dimension of the access challenge resides in the daunting challenge to upgrade the basic skills levels of the existing workforce, in particular in addressing deficiencies in literacy and numeracy. This challenge has been recognised and given priority in both the United States and Britain where a large portion of the adult workforce has low levels of literacy and numeracy.

While the American approach has been to promote a wide range of partnerships to address this problem[13] as well as providing federal funding, the British Government has adopted a strategic approach with a mix of government and private roles.

Following the report of the Moser Working Group on post-school basic skills,[14] the British Government announced a long-term strategy designed to address this problem. This involves three action stages:

- *stage 1: building a firm foundation*—reform of the way basic skills education is provided to ensure better access and improved quality
- *stage 2: building capacity*—increasing the capacity of the system to provide for the target of 500 000 adults participating in basic skills education by 2002
- *stage 3: a step change in participation and achievement*—driving up demand in line with the increased capacity of the system[15]

In this way a strategic approach to both stimulating demand and increasing system capacity has been adopted in line with national learning targets to be achieved by 2002.

American funding for adult education and family literacy programs is provided under Title 11 of the 1998 *Workforce investment act*. Funds are directed at adults with literacy needs, parents with skill needs that impair their being educational partners with their children, and adults who wish to complete secondary education courses.[16]

As with the British approach, funds may be used by state agencies to build system capacity in such areas as networks of literacy resource centres, linking to vocational skill training, and teacher development. A strategic planning approach is required with five-year plans required from state agencies and with strong monitoring and accountability provision. The National Institute for Literacy is funded from this legislation.

The success or otherwise of these large-scale basic skills programs in Britain and the United States will be a major test of the policies for building a learning culture in these countries.

Concluding remarks

This overview of foundation education, or basic educational preparations as we have called it, is by no means exhaustive; we have not, for example, dealt with the problems of tertiary education, particularly the first years which are increasingly seen in some countries as an extension of foundation education, nor with costs and finance problems or questions of quality assurance. The emphasis has rather been on strategic issues which arise in initial education and at the post-compulsory education stage, considering that these are the formative influences in the preparation of young people for entry into adult life and for ensuring their capacity for continuous learning. In this context, special attention has been given to the position of disadvantaged groups and to the role of vocational education and training in this process.

In all of this, little explicit reference has been made to the role of governments and it would be useful to conclude by indicating a number of areas where such a role would be pertinent, particularly in the context of lifelong learning. These areas are:[17]

- the development of a nationally recognised qualifications and credit accumulation and transfer system seen as of paramount importance in assuring quality and in ensuring that all aspects of learning, wherever it takes place, are valued and accredited accompanied by equally effective systems of guidance, counselling and orientation, particularly for young people for whom the transition to adult life is becoming increasingly complex and uncertain
- ensuring that transparent and effective progression routes exist in and between different parts of the lifelong learning system
- ensuring that funding, monitoring and target-setting mechanisms assure high quality education provision and a minimum student entitlement (such as is represented by the Nordic countries system of a 'youth guarantee')
- collecting and publishing national statistics on achievement, progression and enrolment
- stipulating minimum requirements for courses and certain types of training, such as apprenticeship
- building up the national infrastructure of information and communications technology and assuring the quality of this type of provision

Implications for Australia

While school reform in recent years with such developments as testing of basic skills and strengthening of literacy programs is addressing some of the issues in the area of foundations, issues remain in providing for adults with foundation deficiencies. There is a need to promote further the convergence of general and vocational education (with implications for the various sectors of education) and to re-appraise the role, scope, and strategies adopted for generic skills, including pedagogical strategies. Addressing the range of foundation issues will require concerted action across all sectors of education and training. How to make more effective use of modern technologies in addressing the foundation needs of adults is an important issue.

Notes

1 OECD 1996a, p.103.
2 European Round Table of Industrialists 1995.
3 OECD & Statistics Canada 1995.
4 A useful collection of case studies in this area is available in OECD 1999i.
5 OECD 1996b.
6 OECD 1996b.
7 CBI 1998b, p.2.
8 CBI 1998b.
9 For a detailed discussion of these models see: OECD 2000b (forthcoming).
10 Brown, Moerkamp & Voncken, 1999.
11 Federal Ministry of Education, Science, Research and Technology 1997, pp.56–7; Koch & Reuling 1994.
12 OECD 2000a, p.138.
13 Departments of Commerce, Education, Labor & National Institute of Literacy 1999.
14 Moser Working Group 1998.
15 DfEE 1999d.
16 Department of Labor 1998.
17 Adapted from the conclusions of the OECD monitoring study of lifelong learning, OECD 2000b (forthcoming) p.41.

7 Incentives

Developing incentives for participation in learning activities throughout life is central to the demand-side policies we observed necessary for building a learning culture. However, individual motivation for participation in learning is complex, with a mix of intrinsic and extrinsic motivations that shift between individuals, cultures, and situations.[1] For this reason, policies and strategies to foster motivation to participate in, or promote, lifelong learning flow across all the policy instruments and strategies discussed in this report, with the outcomes of school reform, for example, crucial in building intrinsic motivation and a passion for learning that remains throughout life.

While intrinsic motivation for learning depends on such foundations we also found incentive policies used by governments directed at individuals, employers, and communities which were targetted at a mix of intrinsic and extrinsic motivations for participation in learning. Hence these policies had both direct and indirect effects in building motivation for participation in learning and training. They are in fact an integral part of active access strategies with a wide range of practical application.

Various examples were presented in chapter 5 above.

The British NAGCELL Advisory Group in its second report, *Creating learning cultures* identified four key conditions for initiatives to stimulate and widen demand for learning. These conditions are:

- combine approaches based on outreach, the use of incentives, changing contexts and environments, and working through peer support
- be directed at creating a much wider range of 'learning-friendly' environments
- be tailored to the particular needs of different groups of learners and potential learners
- be clearly articulated with each other[2]

These principles draw attention to the need to link incentive policies and strategies with other policies that influence demand for learning so that synergies are created between measures. This argues strongly for a whole-of-government approach and for concerted action at a local level.

We found the NAGCELL principles were generally being followed in policy development in Britain, and were applied to varying extents in the other countries. The NAGCELL approach involves the 'infiltration' of learning into everyday life and work, with the 'infiltration, inserting or weaving opportunities for learning into other aspects of people's lives and by securing for them learning which is both appropriate and well timed.'[3] It was evident that modern technologies were becoming powerful instruments for this process of infiltration and weaving.

Incentives for individuals

Policies and strategies to provide incentives for individuals to participate in learning activities include a mix of government, enterprise and community incentives.

These include:

- individual learning accounts (Britain)
- individual training accounts (United States)
- Union Learning Fund (Britain)
- fiscal incentives for employers and individuals (Netherlands)
- Adult & Community Learning Fund (Britain)
- family learning strategies (United States and Britain)
- Learning Cities (Britain)
- new incentives in the workplace
- promotion of the need to maintain employability

Individual learning accounts

A system of individual learning accounts (ILAs) has been initiated by the British Government to provide incentives for individuals to invest in their own development and lifelong learning. Under this scheme the first million people to open accounts qualified for a government contribution of 150 pounds paid through their local TEC. The national framework for ILAs will be introduced in 2000 following field projects conducted in 1998–99.[4]

An evaluation study of the pilot phase showed that a high proportion of users intended to continue learning in the future while in some areas, indications of commitment to continue saving were obtained.[5]

Individual training accounts

Provision for individual training accounts was built into the 1998 *American workplace investment act*.[6] This enables adult clients to 'purchase' the training which best suits their needs. This demand-driven system is intended to promote individual responsibility for learning and personal decision-making.

Individual training accounts will become operational for all adult Americans seeking training when the *Workforce investment act* is fully implemented on 1 July 2000. In the meantime a demonstration program with a budget of US $6.4 million is being implemented with 13 projects to serve as national laboratories for ITA implementation. Most of the demonstration projects involve local Workforce Investment Boards.

Tax credits for individuals

The United States has developed a number of tax credit provisions for individuals to provide incentives for individuals to invest in lifelong learning. Under the Hope and Lifelong Learning program tax credits reduce the amount of federal income tax for both the first two years of college or vocational school (hope credits) or for upgrading skills and acquiring new ones (lifetime learning credits). There is no limit on the number of years the lifetime learning credits may be allowed.

Role of unions

The 1999 evaluation of the British individual learning accounts concluded that participation by other stakeholders and intermediaries such as unions and employers, was crucial in encouraging non-learners to return to learning, and that financial incentives by themselves were not sufficient.

The key role of unions in encouraging non-learners to return to learning has been demonstrated across Britain, the United States and Sweden where unions have long had a key role. That this applies more generally has been documented in the EU survey of continuing education in enterprises, showing that the amount of training is higher in unionised workplaces.[7] In the United States the 1999 report of the Leadership Group gave a range of examples of unions collaborating with employers, education institutions, and professional bodies in encouraging adult workers with deficient basic skills (including IT skills) to return to learning.[8]

The American cases included examples of joint labour–management education and training projects, campaigns in workplaces to encourage adult workers to undertake standard general education tests to assess their skills, and union initiatives to have the SCANS (Secretary's Commission on Achieving Necessary Skills) generic skills included in training programs.[9]

In Britain the Union Learning Fund (ULF) was established in recognition of the important role of unions in encouraging adult non-learners, in particular those with basic skills deficiencies, to return to learning. The fund was initiated in 1998 and aims to use union influence to increase the take-up of learning at work while also assisting unions to develop as learning organisations.[10]

By mid-1999 the fund had provided finance to 30 unions and around 100 projects were in place. Projects included basic literacy and numeracy, job-related skills, the establishment of over 20 work-based learning centres and training union members to become training 'ambassadors' to influence their colleagues.

Family learning strategies

Family learning strategies have been adopted in both the United States and Britain as well as in the Netherlands. The British NAGCELL in its second report, *Creating learning cultures* observed that successful family learning is a powerful tool for everyday positive attitudes to learning and stimulating commitment and achievement in children, parents and other family members.[11]

Family learning strategies have been used in literacy programs for both children and adults and as a catalyst to a wide range of learning.[12] Such strategies link easily with the local community-based initiatives (for example, Learning Cities, school/community partnerships) that are increasingly common across all the countries we studied.

The US Department of Education in 1994 established the Partnership for Family Involvement in Education program which aims to associate a wide range of partnerships to strengthen family involvement in education. Partners include Employers for Learning, community bodies, religious groups, and family-school partnerships. Substantial information and materials to support this action is available through the department's web site (partner@ed.gov).

A feature of family learning strategies is the growing role of modern technologies in providing information and materials for family learning. These materials are available through the Internet, in homes, and in community learning centres. Attractive programs such as the BBC's (British Broadcasting Corporation) *Computers don't bite* and *Web wise* can be accessed through these sources.

Family learning strategies represent an intermediate level between individual and community-based strategies and involve an essential building block in creating a learning culture and society.

Workplace incentives

The emergence of a knowledge-based economy has brought to the fore the question of incentives in the workplace to motivate employees to high performance, in particular, knowledge workers. This requirement was noted by the British Government in its white paper, *Our competitive future: Building the knowledge-driven economy:*

> *Investment in skills also needs to be supported by a culture in the workplace that allows the knowledge, creativity and commitment of the workforce to be fully exploited.*[13]

While leading-edge firms discussed in chapter 10 are responding to this requirement, the available evidence suggests that most firms are still struggling to make this adjustment.[14]

Maintaining employability

We found that the need for individuals to maintain their employability in an era of rapid change and skill obsolescence was being actively promoted by employers and governments in both Britain and the United States, and by the European Union in its employment policy. In the United States the response of individuals is reflected in the large and growing market of 'free agent learners' that we discuss in chapter 9.

In Britain the Confederation of British Industry (CBI) has been active in this area and in 1998 issued a discussion paper *In search of employability*.[15] In this paper CBI argued for a 'new partnership' of individuals, government, employers and promoters to ensure maintenance of employability for people.[16] This concept was also built into the CBI view of foundation education so that a key goal of foundation education was to develop and integrate the skills that individuals need to maintain employability throughout life.[17]

This nexus between maintaining employability and lifelong learning was then encapsulated in the definition of employability used by CBI.

> *The possession by an individual of the qualities and competencies required to meet the changing needs of employers and customers and thereby help to realise his or her aspirations and potential in work.*[18]

The link between employability and the personal fulfilment of an individual in work built into this definition illustrates the way in which work and employment concepts are being re-conceptualised from a lifelong learning perspective, a perspective central to the 1998 Royal Society for the Encouragment of Arts, Manufactures and Commerce (RSA) report, *Redefining work*.[19]

There is a similar interest in the United States in the issue of employability, with a particular focus being the search for ways to advance the youth employability agenda. We noted a rich array of pilot projects across America in this area.[20]

The European Union has been an influence on the growing interest in employability in its member countries. In 1997 the Amsterdam Treaty added a new chapter on employment to the EU treaty following the Luxembourg jobs summit that year. The EU strategy for employment then developed was based on four pillars: employability, entrepreneurship, adaptability, and equality of opportunity. Lifelong learning has links to all four pillars of EU employment policy so that it may be expected that lifelong learning will become increasingly central to employment policy in EU countries.

Incentives for employers

A second key target for incentive policies involves incentives directed at employers. As with individual incentives, we found that policies and programs were targetted at a mix of intrinsic and extrinsic motivation. In some countries, in particular the United States, employer associations played an important role in raising awareness of employers to the value of various incentives.

Incentives directed at employers included:

- proposals for tax credit schemes
- programs that set standards of good performance
- incentives offered in special programs such as the American Enterprise Zones
- broader civic engagement and community involvement to build 'corporate citizenship'

Tax credits and subsidies

We found little consensus on the value of tax credit schemes for employers. Although this approach was recommended in both Britain and America, in particular to encourage training for employees with basic skills deficiencies, the take-up in this area has been slow. Proposals from the United States Administration in this area still had not been enacted by Congress at the end of 1999.

Sometimes tax credit schemes are targetted. In 1997 the Netherlands provided larger tax credits for training expenses of small and medium firms and for any training directed at workers over fifty. Sweden provides targetted subsidies to companies for training where such needs arise out of restructuring, or where workers need retraining prior to redundancy. The approach adopted by the Netherlands in the use of tax credits and other financial incentives for both employers and employees is discussed in chapter 5 and appendix 3.

Setting standards of good practice

A further strategy to influence employers to invest in human resource development involves setting standards of good performance which are then promoted in a number of ways. Examples include:

- the British and Netherlands Investor in People scheme
- the work of the Benchmarking Forum of the American Society for Training and Development

The British Investor in People scheme involves a national standard for firms to meet in their investment in human resources. The standard involves four principles (commitment, planning, action, and evaluation) and 23 indicators of performance which range across five steps (review, action, assessment, achievement, continuous improvement).[21]

The British Government has given this national standard of good practice further status by building it into the national learning targets to be achieved by 2002. The targets to be achieved by 2002 include the following targets:

- 45 per cent of medium-sized organisations will be recognised Investors in People
- 10 000 small organisations will be recognised as Investors in People

In order to assist small firms to work towards the Investors in People standard, the government launched a Building a Better Business Program in May 1997 which provides support materials to assist firms in achieving the standard. The program is targetted at small firms and provides a modular approach to Investors in People. This is supported by Small Firms Development Projects which provide funding for collaborative approaches to delivery of the standard to small firms.

By December 1998 19 per cent of organisations in England with 50 or more employees were recognised as Investors in People, so that an average annual increase of 6 per cent per annum will be required to meet the 45 per cent target for medium-sized firms by 2002.[22] However, 34 per cent of organisations with over 200 staff had already achieved the Investors in People standard by December 1998.[23]

Local Lifelong Learning Partnerships, which include employers, have been given the task of initiating local action to achieve the national learning targets. This means that incentives will operate through local peer influence for firms to work towards the standard.

In 1998 the Netherlands Government included the recognition of firms as Investors in People in the national program for lifelong learning introduced in that year following the 'national knowledge debate'. This is part of a package of incentives for employers to invest in learning and training.[24]

Implications for Australia

We found more diversity of approach in strategies directed at incentives in the countries we examined than in the other areas of policy. This probably reflects the complexity associated with the outcomes of incentives on individual motivation to participate in, or support learning and training, and involves a spectrum of issues relating to the effectiveness of such policies.

Nevertheless, it will be worth monitoring the outcomes of some of the strategies discussed above, in particular those directed at bringing non-participants back to learning. Linkages between incentive policies and other polices such as infrastructure policies, information and marketing, and foundation strategies appear critical.

Australia has few policies designed to induce employers, individuals and communities to invest in learning on a whole-of-life basis. This is one of the main areas which requires attention in developing policies to build a learning culture in Australia.

The linking of strategies directed at both intrinsic and extrinsic motivations to induce individuals, employers, and unions to invest in learning is a key lesson to be taken into account in developing further the marketing policies of the Australian National Training Authority (ANTA).

Notes

1 OECD 1999b.
2 NAGCELL 1999, p.16.
3 Ibid, p.16.
4 SWA Consulting 1999.
5 Ibid.
6 Department of Labor 1998.
7 European Union 1999.
8 Leadership Group 1999.
9 Ibid.
10 DfEE 1999f.
11 NAGCELL 1999, p.20.
12 Ibid, p.20.

13 Secretary for State for Trade and Industry 1999, p.6.
14 We discuss this two cultures phenomenon in chapter 10.
15 CBI 1998b.
16 Ibid, pp.19–22.
17 CBI 1998b, p.8.
18 Ibid., p.2.
19 RSA 1998.
20 Centre for Human Resources 1994.
21 Investors in People (UK) 1998.
22 DfEE 1999b.
23 DfEE 1999b.
24 This is discussed in appendix 4.

8 Information and marketing

We found in all countries, that providing quality information on education, training and job opportunities in forms which could be easily accessed, was an important target area for policy. Facilitating access to information relating to opportunities was a natural accompaniment of the marketing strategies adopted. However, in most countries, information strategies were also closely linked to infrastructure and access policies so that building partnerships and networks became a means of fostering the dissemination of information on learning opportunities, and the range of access strategies.

In some cases, as in the United States, information provision was also integrated with labour market and employment information under a one-stop career centre system so that an integrated one-stop system was seen as providing seamless services for clients. This system has been mandated in the 1998 *Workforce investment act.*

In Britain, Learning Direct provided similar advice and guidance across the areas of learning and work, and related guidance and support areas.

The expansion of these services, and their growing comprehensive nature, was linked to the role of modern information and communication technologies in providing cheap access to comprehensive information. The systems developed such as Learning Direct and the American Learning eXchange, are based on the use of technology. The Internet appeared to be playing a growing role, with web sites a common feature of major programs in each country, enabling quick access to comprehensive information on programs and best practice, and rapid dissemination of information.

At the same time, a common feature was to link information strategies to other policies to foster learning. Such linkages included infrastructure policies, partnership and network building and access strategies so that information became a key ingredient in each of these strategies. In some cases peer learning networks have been built up through information flows to support particular programs. The British Learning Direct program has been located as an arm of the University for Industry (UfI) so that Learning Direct can be used as an instrument of the access, participation, and skill development objectives of UfI.

Information policies and strategies

The key feature of information policies and strategies that we observed were:

- the key role of modern technologies in the development of sophisticated information systems

- the comprehensive nature of the information provided
- the links between these systems and other policy instruments
- a cross-sectoral linking of learning information with information used in such areas as employment and careers
- the use of technology to build networks of learning communities as communities of practice linked by information flows to foster the effective dissemination of information

The British Learning Direct and Career Card Home Page, and the American Learning eXchange, illustrate the use of technology to provide information to the public on learning, training, and job opportunities.

Learning Direct

Learning Direct was launched by the British Government in February 1998 as a telephone call system that would provide a single comprehensive source of advice, guidance, and information on learning/training provision. Learning Direct will operate as a major public access point for the University for Industry when this institution is launched in the autumn of 2000.

An evaluation of Learning Direct undertaken in 1999 found that Learning Direct handled 405 000 calls between March 1998 and February 1999, well above the original target of 250 000, with a high level of user satisfaction.[1] Women made up two-thirds of the calls. Learning Direct is likely to have an increasingly valuable role as it integrates into the evolving UfI role.

Learning card

In addition to Learning Direct, Britain also provides Internet access to information through the Learning Card home page (www.dfee.gov.uk/card/). All school leavers are provided with a learning card while the Learning Card home page provides a 'one-stop shop' for careers and course information. School leavers can access information on jobs (career bank), courses, learning options, and with links to related sites. The learning card offers discounts on some items as a further incentive.

Learning eXchange

Learning eXchange (ALX) is an American counterpart of Learning Direct. However, ALX is different from Learning Direct in that it is a computer-based system with Internet access which provides comprehensive information for both learners and employers across broad areas of career information, education, training, certification, testing and web resources. ALX provides links to state career information systems.

ALX has been developed as a free electronic marketplace connecting people to education, training and learning information. User services are targetted at students and adult learners, human resource managers, and small employers, education and training providers, and developers of courseware and online training. The system can be accessed at www.alx.org/

The comprehensive nature of the system across these areas is a particular strength, while its flexibility means that the system can adapt to changes in provision. The guide to education and training resources on the Internet is a particular strength.

Information for trainers and teachers

A feature of the situation in all countries is the way the Internet is being used to provide professional information for trainers and teachers. The expansion of web sites in professional areas provides ready access to new ideas and best practice. This is especially the case in the United States but it is also common in Europe.

Some typical examples are:

- The European Union's Vocational Training Centre (CEDEFOP) has an 'electronic training village' which provides comprehensive access to information across EU countries (www.trainingvillage.gr).
- The British Department of Education and Employment has web sites for all of its main reforms and innovations, including access to research summaries and links to other sites. A web site for lifelong learning has been established which updates topical developments. All sites can be accessed through the index in the Department's web address (www.dfee.gov.uk).
- Training SuperSite provides comprehensive access to American information sources (www.trainingsupersite.com).
    - This includes a bank of 250 American web sites in training which are rated A+ to F for value.
    - The US Departments of Education and Labor also have comprehensive web sites which includes information for parents, employers, individuals, partnerships, as well as for teachers and trainers.

Marketing

We found five key features in the approach to marketing adopted across the countries we studied. These features were:

- a mix of national and local campaigns
- the key role of peer and community networks and partnerships
- the growing role of technology
- the role of special events
- the research role in devising and monitoring strategies

The balance in the role of these components differed between countries, with Britain the best example of the use of all five elements aligned to government policies designed to build Britain as a learning society. In the United States, initiatives by industry associations, unions, and a wide range of intermediary bodies (including funding foundations) was important.

Typical statements on information and marketing objectives are contained in the second British NAGCELL report *Creating learning* cultures and in the November 1999 report of the American Leadership Group *Skills for a new century: A blueprint for lifelong learning.*[2]

The NAGCELL report in its approach to creating learning cultures argued for:

- measures to stimulate demand
- strengthening citizenship and community capacity-building
- building effective partnerships
- imaginative outreach to form new partnerships (links to popular culture, music, sport, etc.)

These strategies linked to marketing in a number of ways with the role of peer networks such as unions, employer associations and community bodies significant. The social partners have long been active participants in marketing education and training in Sweden and Germany. A feature of the current situation has been the greater involvement of unions and employers in both Britain and the United States.

British government policy has, in general, followed the directions suggested by the NAGCELL report with programs such as the Union Learning Fund and the Adult and Community Learning Fund instruments for using peer and community networks to encourage non-participants back to learning.

Sweden has long used these kinds of instruments, with the role of unions, employer–union partnerships, and community bodies as significant players in building the learning culture and passion for learning which is a key competitive asset of Sweden.

In the United States, the report of the Leadership Group, appointed as an outcome of the 1999 White House Conference on Skills and Lifelong Learning, reflects a similar approach. Recommendation 4 of the group is directed at measures to increase awareness and motivation for participation in education, training, and learning. The action steps proposed included extending the existing network of over 600 local business-led partnerships with marketing to unions, community bodies, schools, itinerant workers etc., promotion of the use of America's Learning Exchange, and strengthened research and evaluation. The report cited a wide range of existing partnerships and commitments given by employers, unions, foundations and a range of community bodies.[3]

A significant aspect of the marketing of learning and training by employers in Britain and America was the focus on the need for individuals to maintain their employability in a world of rapid change. We discuss the promotion of this concept by the Confederation of British Industry (CBI) in chapter 7 and the CBI notion of employability skills as a component of foundation education in chapter 6.

National and local campaigns

The use of a mix of national and local campaigns is well illustrated by action taken in Britain. At a national level, the government's active promotion of lifelong learning is the central feature but this is supported by the work of the National Campaign for Learning which receives government funding and strong industry support. Activities of the National Campaign for Learning include its newsletter, the promotion of special campaigns such as family learning and workplace learning, and its sponsorship of research on participation and attitudes to learning.

A particular feature of the British scene is the local promotion of learning. This has included the development of Learning Cities, the emerging role of local Lifelong Learning Partnerships, and other community-based action.

Learning Cities have been active in marketing learning through strategies such as learning festivals, learning shops and similar high-profile activities. Their development into a co-operating network with over twenty member cities has been supported by government in a number of ways and illustrates the role of public–private partnership which is now so typical of British training development.[4] Increasingly, and particularly through the OECD Learning Cities program, this co-operative network is provoking significant international discussion.

The local marketing activity will be carried further through the role of the national network of Lifelong Learning Partnerships which will be responsible for taking action to progress the national learning targets in their local area. This obligation means that marketing will be a key activity of the partnerships. The role of the partnerships in advising the network of Learning and Skills Councils means that links exist with the funding powers of the councils which then link to Regional Development Agencies.

The role of special events

While much marketing is ongoing, special events have been used in all countries to raise the profile of learning through special media and other campaigns. Special events such as Adult Learners' Week in Britain have been given a raised profile in line with government policy to build a learning society.

In addition, other special events now include Learning at Work Day celebrated in Britain on 20 May and Family Learning Day. In 1999 the Learning at Work Day included a strong media campaign which reached almost 30 million people, and which included a special eight-page supplement in a national mass circulation newspaper.

The growing role of the media and technology

All countries have made increased use of the media and modern technologies in marketing. Britain illustrates a systematic use of the media and technology aligned with special events and campaigns, and the use of media such as digital television broadcasting with the role of BBC Knowledge as a special digital education channel which has a strong access character. This role will be strengthened when the University for Industry, with its national network of learning centres, and the National Grid for Learning are in full operation. This will provide opportunities to link this infrastructure with the work of local marketing bodies such as Lifelong Learning Partnerships and Learning Cities.

Both Sweden and Germany illustrate a similar pattern of active local marketing of education and training with the social partners having a key role.

In Germany the local chambers of industry and commerce and handicrafts have an important role in marketing education and training to their members and keeping them up to date on current developments.

The research role

Britain illustrates the systematic use of research for underpinning marketing strategies. This role includes a series of research studies on encouraging participation in learning commissioned in the early 1990s, surveys on attitudes to learning commissioned by the Campaign for Learning in 1996 and 1998, and a National Adult Learning survey commissioned in 1997 by DfEE which provided baseline data which is now being used by DfEE to monitor changes in participation levels by target groups, and progress towards meeting the National Learning Targets set for 2002.[5]

A follow-up survey to the national survey, *Pathways in adult learning*, has provided further understanding of how and why people learn and how to relate learning experiences to employment changes and other major events in people's lives.[6] These surveys have provided valuable information for bodies like local Lifelong Learning Partnerships and Learning and Skills Councils to use in marketing strategies to meet local learning targets.

Implications for Australia

This overview of information and marketing strategies adopted in the countries studied throws up a number of issues relevant to the Australian situation. These include the use of local networks and infrastructure for promotion and marketing, the development of new forms of public–private partnership, and the comprehensive nature of technology-based information systems, such as Learning eXchange, Learning Direct and the learning card, which provide easy access to careers, education, training and learning information with links to other information sources, and the research role in marketing strategies as exemplified by British practice.

A significant feature of these developments is the strengthening of links between information systems and provider networks so that users can move easily from access to information to provision. This nexus is best illustrated in the link between the British Learning Direct system and the University for Industry. The burgeoning role of technology in the digital era suggests that these linkages will continue to evolve in creative ways. The example of Learning eXchange shows how national and state information systems can be linked through technology.

These broader strategies and 'joined-up' policies are relevant to the current Australian National Training Authority initiative for marketing VET and illustrate how marketing initiatives need to be linked to a range of policies to develop networks and partnerships in order to foster investment in learning by individuals, employers, and communities, and a general orientation to demand-side policies which provide incentives for such investments.

Notes

1 DfEE 1999a.
2 NAGCELL 1999; Leadership Group 1999.
3 Leadership Group 1999.
4 DfEE 1994.
5 DfEE 1997.
6 DfEE 1999c.

9 The key role of technology

Information and communications technology has the potential to transform educational opportunity, raise standards for pupils and prepare them more effectively for work. It is the way to ensuring a confident workforce at the cutting edge of change.

(Rt Hon David Blunkett MP,
British Minister for Education and Employment)

While the industrial revolution created a division between the spheres of working and personal life, the information technology (IT) revolution may be reintegrating them, moving some of the most fundamental boundaries which distinguish our cultures.

(OECD 1996a)

Information technology is changing the access to knowledge, the process of learning, and the delivery of education and training.

(American Society for Training and Development)

Using the information and communications technology (ICT) revolution as a key instrument for building a learning culture and society was a major theme across all countries we studied. However, we found countries at various stages in adapting to this imperative of the information age and with a range of strategies being implemented involving varying mixes of public and private initiatives.

While it was widely recognised that ICT had the potential to transform education and training and build a learning society, it was also recognised that a range of issues came with the transforming power of technology. Perhaps chief among these was the so-called 'digital divide' which polarises societies into those able to cope with the conditions and opportunities of the information age, and those unable to do so, and which created a new fault line in society. Moreover, technology also created a spectrum of issues involved in meeting the skills needs of ICT industries and occupations in an environment of rapid change and expansion.

Along with a growing sense of the digital divide, went an interest in the question of harmonising learning and technology strategies, and we observed considerable innovation in this area. Opportunities to harness the potential of technology for learning purposes have been enhanced by such developments as the rapid spread of the Internet, digital television broadcasting and other recent ICT developments in advanced OECD countries, so that we observed a dynamic frontier of innovation in learning and technology interactions. Issues arose from policy and practice keeping pace with the dynamics of technological advance.

The pervasive nature of technology in an information society and knowledge-based economy also meant that the ICT role interacted with all the policy targets and instruments that we examined in this study. The role of technology created both issues and opportunities for policy in the areas of access, infrastructure, foundations (both in school and for adults), incentives, and in information and marketing. We also observed indications in private sector practices of the beginnings of a paradigm shift from a training paradigm to a learning and performance paradigm in human resource development and in harnessing intellectual capital in firms, driven by technology.

The pace of development and the spread of ICT in schools, homes and workplaces also recast traditional issues of access and quality in education and training, and raised new ones.

While diversity is a natural companion of ICT, there were nevertheless certain general themes that we observed across the five countries. These included:

- the development of new forms of public–private partnership
- efforts to develop a new technology of learning
- ensuring ICT literacy in schools for all students
- addressing the 'digital divide' in society
- issues relating to provision of quality materials
- the expansion of markets for learning using technology
- meeting the skill needs of ICT industries and occupations

Comment follows on these issues.

New forms of public–private partnerships

The role of the British University for Industry (UfI) typifies emerging new approaches to public and private partnerships in addressing the challenges of the learning age.

The UfI is being established by the British Government to address two strategic objectives:

- to stimulate demand for lifelong learning among businesses and individuals
- to promote the availability of, and improve access to, relevant high quality and innovative learning, in particular through the use of information and communications technologies[1]

The UfI will have both business and individuals as customers. Its products and services will be widely available in the home, workplace, and in learning centres across Britain through open and distance learning methods. While UfI is being developed by the government, its learning centres will be franchised for private operation.

The government has indicated that the initial priorities for UfI will be:

- basic skills
- information and communication technologies

- small and medium-sized businesses
- a number of specific industry sectors: automotive components, multimedia, environmental technology and services, and distribution and retail trades[2]

The UfI will operate in new ways. It will not produce learning products itself, but will act as a broker connecting learners with quality-assessed products from other organisations. For example, the UfI has negotiated an agreement with the BBC so that BBC products, including the BBC programs on IT, will be available through UfI outlets. It will stimulate new markets by commissioning leading-edge, multimedia-based products to fill identified gaps in provision.

As the UfI work develops, it is expected that public funding of products and services will diminish as the UfI's revenue streams increase. Overall, the UfI will serve as a key instrument for addressing a range of the strategic objectives identified by the government in its green paper, *The learning age* for building Britain as a learning society.

The work of the UfI will be assisted by the role of the National Grid for Learning which is discussed below.

Developing a new technology and pedagogy of learning

It has been widely recognised that harnessing the power of modern technologies for learning purposes requires that appropriate learning strategies be developed that harmonise effectiveness in learning with the technology role. This recognition underpins the UfI/National Grid for Learning relationship, and a general interest in fostering innovation in learning strategies. At the same time, developments such as the Web have given a powerful stimulus to self-directed learning and will no doubt accelerate the shift from training to learning and performance.

It is also recognised that harmonising learning and technology in optimum ways throws up a broad spectrum of issues which need to be addressed. These issues are being addressed in the United States through a Commission on Technology and Adult Learning which has been established as a joint project of the National Governors' Association (NGA) and the American Society for Training and Development (ASTD).[3]

The Commission will undertake its investigation over 18 months and will publish an interactive, electronic report which will be released early in 2001. Its mandate covers a broad spectrum of questions relating to issues such as access, lifelong learning, quality assessment/accreditation and credentials, funding, and links to economic development. The work of the commission has been initiated with a vision paper, *Into the future* which gives a stimulating interpretation of current and future trends.

The findings of the commission should be relevant to Australian interests in this vital subject.

Bodies such as the BBC are likely to have a significant role in stimulating innovation in learning strategies. The BBC aims to develop a complete bank of interactive digital modules to support the entire national curriculum across Britain for primary and secondary schools.[4] This would provide a basis for classroom learning becoming fully interactive as a foundation for children and young people developing as lifelong learners.[5] Innovations in teaching and learning strategies along these lines to make learning attractive for the full range of young people is a necessary component in building a learning culture.

Ensuring ICT literacy for all students

We found that all countries had policies to develop ICT literacy for all students in schools. A recent OECD study found that while investment in ICT in schools is increasing, priority to date has been given to hardware aspects and with less attention being paid to quality educational software.[6] Britain is perhaps an exception to this observation with its current development of the National Grid for Learning.

The OECD study found a rapid pace of growth in all areas of ICT, although with spending priority given to hardware. With the exception of the Netherlands, the countries in our study were among the best performers for both primary and secondary schools in terms of number of students per computer.

Number of students per computer

Primary schools: United States 8, Finland 11, New Zealand 12, Sweden, 13, Denmark 14, Britain 16

Secondary schools: Norway 6, Sweden 6, Finland 7, New Zealand 7, United States 7, Ireland 8, Denmark 9

It is of interest that most of the countries with the best performance on this indicator were also the countries with the strongest investment in training in industry and with high school retention and higher education participation.

Action taken by the United States Government to promote computers in schools is typical of the action taken to develop ICT literacy in schools. The *Telecommunications act* of 1996 authorised the E-rate discount program as part of a strategy to bring affordable access to the Internet, distance training, and other ICT-based learning technologies to American schools and library users. The program provides discounts ranging between 20 and 90 per cent on a needs basis, with the poorest schools and libraries receiving the largest discounts. Poor urban schools and rural schools have, in particular, benefited from this program.[7]

Britain also has an active Technology in Education program. This includes the National Grid for Learning (which is discussed below), incorporation of ICT training in both initial and continuing teacher training, and regular surveys of programs. British planning includes the target, that by 2002, all schools, colleges, and universities will be connected to the National Grid for Learning. A £230 million fund is being used to train teachers in using ICT in the classroom. In 1996 the former National Council for Educational Technology (NCET) was re-launched as the British Educational Communications and Technology Agency (BECTA) with a mandate to:

- ensure that technology supports the national efforts to drive up standards in core curriculum subjects, in the teaching of key skills, in school effectiveness and more widely in the development of lifelong learning
- ensure that young people leave school and college with the information and communications technology skills they will need for the twenty-first century

The British ICT targets for schools included a requirement that by September 1999 all newly qualified teachers will need to have a competence in ICT to mandatory standards in order to receive qualified teacher status.

Addressing the digital divide

The growing role of technology has been accompanied by a range of issues. Perhaps chief among these has been concern at the growing polarisation in society between the information-rich and the information-poor. While access to the new information sources is a significant social issue, it is also directly relevant to the employability of individuals in the new knowledge-based economy. In the longer term, the reforms in schooling are seen as the solution, but in the meantime, a major social problem exists in the adult population.

This issue has been symbolised in a major 1999 American report *Falling through the NET: Defining the digital divide.*[8] This report found that access to technology (computers, Internet, telephones) was strongly influenced by race, socio-economic status, location, and certain demographic characteristics. Blacks, Hispanics, people in country areas, single-parent families, and those on low incomes with least education had the least access. This acted to compound existing inequalities.

A similar study has been undertaken in Britain by one of the policy action teams established to follow up on the report of the Social Exclusion Unit on deprivation in poor areas. This report, titled *Closing the digital divide* considered ways in which access to ICT could be enhanced for people in poor areas so that ICT will become an instrument for social inclusion.[9] A number of the proposals, such as community technology centres, are similar to those proposed in America.

Responses across the countries we studied have much in common. Community access centres in the most deprived locations are important in both Britain and America. While in Britain the University for Industry learning centres will have a key role, in America community access centres have been strengthened in other ways. These include a program of community technology centres which have been located in the most deprived areas to serve both adults and children.

Digital television broadcasting is playing a role in addressing the digital divide with programs such as the BBC IT programs discussed below targetted at those below the divide.

Provision and access to quality materials

A common theme across these countries was the concern that the potential of ICT in education and training was being limited by insufficient high-quality materials and in appropriate learning paradigms. We found a good deal of innovation in response to this need.

In Britain the need for quality materials for on-line learning is being met through the development of the National Grid for Learning. The national grid is a way of finding and using quality on-line learning and teaching materials. It is being developed as an Internet-based mosaic of interconnecting networks and educational services which will support teaching, learning and training in schools, colleges, universities, the workplace and homes.

The grid will focus initially on teacher development and the schools sector, and will then extend to lifelong learning in various contexts, including the home, training in industry and further and higher education. This ultimate development will be particularly significant in providing content for community grids for learning linking education, literacy, health, leisure and other services at the local level.

The development of quality materials for on-line learning in Britain is being supported by a series of agreements to concert action by stakeholders. These include an agreement between the University for Industry and the BBC.

On the other hand, materials development in the United States is largely market-driven with a trend towards conglomerates of firms, such as Knowledge Universe, linking multi-media and other relevant firms. This development is being driven by the large and growing market for learning.

The problem of adequate courseware has been noted in the Netherlands.[10] A response has been the development of a consortium, led by the Open University with twelve universities and institutes for higher vocational education, titled the Consortium for Innovation in Higher Education which has promoted innovation in the use of ICT.[11] Similar innovation is also being promoted in adult and vocational education.

The growing role of digital television broadcasting

The arrival of the digital era in television broadcasting has opened up further opportunities to extend the technology role in building a learning culture.

In Britain the BBC has implemented BBC Knowledge as a digital television channel offering a wide range of learning offerings. This includes programs directed at ICT literacy such as *Computers don't bite* and *Web wise*. The latter, for example, provides over 1000 pages of help and advice on using the Net for all levels of experience.

The mandate of BBC Knowledge points to the major potential of digital television broadcasting in opening up learning pathways for wide sections of the community, including non-participants. This relates to: 'multimedia learning which is practical and which gives you confidence to do more'.[12]

While BBC Knowledge sets out to provide a 'genuine alternative service which is not formal learning', digital public broadcasting in America has retained a focus on formal education courses, no doubt reflecting the large market in America for such services.

The role of digital television broadcasting will assume increased significance for Australia with the arrival of digital television from January 2001. We understand that planning for the ABC's proposed digital service is along the lines of the BBC Knowledge concept. Such a development could have a key role in building a learning culture in Australia.

Expansion of markets for learning

Development across all countries demonstrated ways in which markets for learning are expanding with the growing role of technology. While in Britain this development is largely government-led, in the United States, rising individual demand is driving the expansion of markets for learning. The American National Alliance of Business signposted the extent of this expansion when it reported a forecast that by 2002, 2.23 million Americans will be acquiring knowledge and skills through technology, up from 710 000 in 1998.[13] A Merrill Lynch study showed a compound annual growth rate of 33 per cent over this five-year period.[14]

The American 1995 National Household Education Survey showed that 76 million adults aged 16 and older participated in adult education activities during the preceding year. This involved a 25 per cent increase from 1991 and encompassed 40 per cent of the adult population of America with growing female participation.[15]

This expansion is being driven by a mix of motives with a significant motive being the desire to maintain employability in a world of radical change.

The expansion of markets for learning is creating opportunities in America for private sector firms to meet this demand through technology-based products. This trend is illustrated by the growth of Michael Milken's Knowledge Universe, a group of companies marketing a wide range of learning products. Started in 1996, by 1999 the revenue of the group had risen to $1.5 billion per annum. Companies in the group comprise multi-media, training, consulting, teacher products, educational toys, and pre-school firms. The growth of companies such as Knowledge Universe illustrates a trend to bringing greater coherence and synergy to the fragmented private education and training industry. At the same time, the convergence of media and Internet technologies, symbolised by the recent merger in America of Time Warner and America Online, raises further possibilities for expanding markets for learning.

Building workforce systems

A key development in the United States and Britain involves the role of technology in building integrated workforce systems that associate employment, careers, information, education, and training aspects. This integrated systems approach underpins the philosophy of the 1998 American *Workforce investment act* 'anchored by customer-focussed, business-led One-Stop systems and supported by leading edge technology tools'.

A similar approach is being adopted in Britain with its concept of joined-up policies. The American and British experience suggests that technology can be a powerful tool of policy and program integration in building integrated workforce systems.

The American experience in this area will be reviewed at a major conference (Jett Con 2000) convened by the Department of Labour in July 2000. The conference will consider issues discussed in this report such as developing the twenty-first century workforce, bridging the digital divide, and forging public–private partnerships.

Meeting the skill needs of ICT industries and occupations

A significant issue that we observed across these countries, in particular in Britain, Germany and the United States, was concern at growing skill shortages in ICT industries and occupations. A similar concern exists in Australia. While these shortages are largely caused by the pace of change and the dynamic character of these industries, other issues such as the image of the industry and its male-dominated character emerged in both Britain and America.

This concern also extends throughout Europe. A recent European Union assessment gave the shortage of ICT specialists in Western Europe at 500 000 in 1998 with the estimate that this shortage could reach 1.6 million equivalent jobs by 2002. Governments are responding, and the German Government recently announced that it was recruiting 10 000 ICT specialists from overseas.

Both Britain and America have established mechanisms to examine the issues. In Britain, an Information, Technology, Communications Skills Strategy Group produced three reports during 1998 and 1999 which will feed into the work of the National Skills Task Force in proposing a national skills agenda.[16]

In America the 1999 report of the Office of Technology Policy, *The digital work force: Building infotech skills at the speed of innovation* provided a good overview of the issues.[17] The impact of the changed business environment on the IT labour market, as well as other supply and demand influences were discussed. The recommended responses addressed the range of image, retraining, equity and other issues identified.

The issue of skill shortages in the ICT industries points to broader issues involved in integrating learning and skill strategies in the conditions of the twenty-first century, in particular in knowledge-based industries. These issues are central to building a learning and training culture and suggest the broader issues to be addressed in meeting the skill needs of the new economy in a context of dynamic change.

Implications for Australia

There is no doubt that technology can be one of the key instruments for building a learning culture in Australia. However, the range of issues discussed above will need to be addressed and strategies devised that suit the Australian situation. A market-driven approach, as in the United States, does not appear appropriate for Australia because of the small size of the Australian market. The role of government therefore, is likely to be significant in addressing the spectrum of issues such as access and quality, as is happening in Britain. The role of digital television broadcasting, to commence in 2001, will be an early test for Australia.

The importance that both Britain and the United States are placing on community access centres points to ways in which state-based infrastructure systems, such as Queensland Open Learning Centres and Western Australia Telecentres, might have an enlarged role. How to encourage the partnership and alliance development that is so striking a feature of the American scene is a key issue.

Notes

1 DfEE 1999e.
2 Ibid, p.5.
3 ASTD & National Governors' Association 1999.
4 Dyke 1999.
5 Ibid, p.6.
6 OECD 1999g, pp.47–64.
7 See EdLine, E-rate, www.edline.org/pubs/
8 National Telecommunications and Information Administration 1999.
9 Policy Action Team 15 2000.
10 Max Groote Expert Centre & Netherlands Economic Insitute 1998.
11 Ibid.
12 See www.bbc.co.uk/knowledge/home
13 National Alliance of Business 1999a.
14 Ibid, p.1.
15 'Free Agent Learner' 1999.
16 ITCESTG 1999.
17 Office of Technology Policy 1999.

10 Private sector strategies and practices: New needs and paradigms

But as changes accelerate and require ever higher skill levels continuous workforce learning is becoming a more critical priority.

(Leadership Group 1999)

Previous successful workforce strategies are not suited to the new economic environment, change is too fast and too constant.

(National Alliance of Business 1999a)

Business and industry are confronted at the dawn of the twenty-first century by an environment of revolutionary change driven by the imperatives discussed in chapter 1 of this report. In this environment, it is not surprising that we found a diversity of practice, with a seeming growing gap between good and poor practice in some countries, as industry searches for new paradigms to meet the emerging needs of the knowledge-based 'new economy' in a context of exponential change and transition.

As the economist Lester Thurow has observed, in an era of punctuated equilibrium everything is in flux 'disequilibrium becomes the norm, and uncertainty reigns.' In such eras ideologies and technologies, new and old, do not match.[1] We observed various signs of disequilibrium and the mismatch between traditional ideologies and practices of industry and the rampant technologies of the information age. Approaches to learning and training in industry have inevitably been caught up in this maelstrom of transition and change, with a growing recognition of the need to address the challenge of achieving continuous workforce learning.

A 1993 article in the business magazine *Fortune* suggested that industry was confronted by four business revolutions:

- the globalisation of markets
- the spread of information technology and computer networks
- the dismantling of hierarchy
- the emergence of a new information-age economy[2]

In 1999 these revolutions were still impacting on industry as the 'four horsemen of revolutionary change'.

This meant that we observed across all countries a polarisation and dichotomy between the old and the new: between firms that had sought to adjust to the imperatives of the new economy, and those that had maintained traditional ways.

This division between the old and the new was highlighted in a joint report of the United States Departments of Commerce, Education, Labour, the National Institute for Literacy, and the Small Business Administration, *21st century skills for 21st century jobs.*[3]

In showing how jobs were changing because of shifts in organisation and management, this report made a distinction between features of the old and new systems. This is given in figure 3.[4]

Figure 3: Jobs changing due to shifts in organisation and management

Element	Old system	New system
Workplace organisation	Hierarchical Rigid Function/specialized	Flat Flexible Networks of multi/cross-functional teams
Job design	Narrow Do one job Repetitive/simplified/ standardised	Broad Do many jobs Multiple responsibilities
Employee skills	Specialized	Multi/cross-skilled
Workforce management	Command/control systems	Self-management
Communications	Top down Need to know	Widely diffused Big picture
Decision-making responsibility	Chain of command	Decentralized
Direction	Standard/fixed operating procedures	Procedures under constant change
Worker autonomy	Low	High
Employee knowledge of organization	Narrow	Broad

Source: Departments of Commerce, Education and Labor and National Institute for Literacy 1999.

These shifts clearly have major implications for approaches to learning and training in industry and the search for a new paradigm for skill formation appropriate to twenty-first century conditions in the new economy.

A key influence in this environment has been the search for flexibility as firms have sought to become adaptive and responsive to rapidly changing conditions. This pressure appeared to have the somewhat paradoxical outcome of leading to both good and poor practice in learning and training strategies, and overall we observed in most countries, particularly in the United States, indications of a growing gap between good and poor practice.

BEST COPY AVAILABLE

While there was much diversity in practice for the reasons outlined above, a few general themes and issues emerged across the five countries. These were:

- responses to pressures for flexibility: the issue of harmonising investment in workforce skills with the pressures for flexibility in the new economy
- how to upgrade skills of the existing workforce lacking in basic workforce skills required in the new economy
- a seeming growing gap between good and poor practice in some countries
- the beginnings of a paradigm shift from a training paradigm to a learning and performance paradigm in good practice firms
- the emergence of two broad models for fostering a learning/training culture in industry

Comment follows on these themes and issues.

Responses to pressures for flexibility

The pressures for firms to achieve greater economic efficiency and to adapt faster to changing conditions has led to two opposing trends as firms have sought greater flexibility in their operations.

- Some firms have sought to respond by cost-saving devices such as downsizing, outsourcing, and using labour hire methods.
- Other leading-edge firms have implemented 'flexible' or high performance work practices.

This duality of response has both facilitated and impaired the development of a learning and training culture in industry, and has reinforced the two cultures situation that we discuss below.

A recent OECD study provides an analysis of the adoption of these new enterprise work practices across OECD countries.[5] This study showed a considerable degree of investment in flexible working practices across all countries. However, firms in different countries use flexible work practices to a significantly different extent, suggesting the influence of cultural factors. Some flexible work practices (for example, teamworking, job rotation) are particularly prevalent in Sweden, Denmark and the Netherlands.

The OECD study noted that flexible work practices seemed to be linked with two particular factors:

- higher training levels
- industrial relations systems which facilitate negotiations between managers and employees[6]

The work of the ASTD Benchmarking Forum, which is discussed below, indicates much the same pattern.

This evidence suggests that a learning and training culture is most likely to develop in industry where flexible/high performance work practices are adopted and where the industrial relations system facilitates employer/employee collaboration. These influences point to the strong performance of Sweden, the Netherlands, Denmark, and other Nordic countries and lends significance to the growing number of employer–union partnership arrangements in the United States.[7]

While the OECD study points to significant country differences, data from the ASTD Benchmarking Forum also highlight differences between industry sectors.[8]

Total training expenditure as a percentage of payroll is highest in sectors such as information technology and services and lowest in sectors like health care, government and manufacturing.[9] American case studies of 'knowledge firms' suggest that flexible work practices are common in firms operating successfully in knowledge-based industries and that such firms are investing heavily in their employees.[10]

Overall, the pressure for flexibility driven by the new economy is producing a dynamic mix of change and conservatism with differences between countries, industries, and individual firms. The challenge is to extend the practices found in leading-edge firms across the generality of firms.

Up-grading the skills of the workforce

Upgrading the skills of the existing workforce in response to the higher skill needs of the new economy has been recognised as a central challenge. This challenge is greatest in Britain and the United States where deficiencies in literacy and other basic skills are most marked. Both Britain and the United States have promoted partnerships of interested stakeholders to address this critical need. The proposals of the British Moser report are discussed in chapter 5 while the American Leadership Group in its November 1999 report cited a wide range of partnerships, including employer–union partnerships, which emerged in response to the challenge.[11] There is general recognition that this is a long-term problem with the immediate task being to provide a 'strategic start'.

Training and learning

The overall context of transition between the old and new meant that we observed a mixed scene in terms of training and learning strategies in industry with differences across countries, industries, and firms. However, the trend towards the high-performance workplace in leading-edge firms, with a growing use of modern learning technologies in these firms, is heading in the direction of emerging learning paradigms for skill formation and maintenance. This orientation is present in the report of the American Society for Training and Development, *Responding to workplace change: A national vision for a system for continuous learning*[12] and underpins the approach of the British Government to building a learning society.

A further influence is the growing interest in knowledge management in the emerging knowledge-based economy which is causing many firms to combine their communication and learning strategies. This trend was noted by the director of training at Scandinavian Airlines System (SAS) in the following terms:

> *The border between training/learning and internal communications is increasingly difficult to draw. There is increasing awareness that internal communications are also learning activities, meaning that there is a need for closer ties between the two strategies.*[13]

It is likely that this trend will accelerate as knowledge management systems become more widespread in industry, so that this will contribute to the shift from training to continuous learning in the knowledge-based economy. The growing use of modern learning technologies in industry will also drive this development.

Two models for fostering a learning/training culture in industry

Our observations across the countries we studied pointed to two broad models for fostering a learning/training culture in industry. These may be termed:

- *culture-driven:* the approach in Sweden and other Nordic countries (Denmark, Finland), and which is also found in some Asian countries such as Singapore, where a strong Chinese Confucian tradition has been an influence with high value placed on education
- *standards- and partnership-driven:* the approach in Britain and the United States where there has been less of a learning culture and the high value placed on education in the traditional culture found in the first group of countries

While these two models can be distinguished, government policy has also been an influence in each of these countries through policies in areas such as incentives, information and marketing, technology and infrastructure. The interaction of policy with these orientations is an area that requires further study.

Culture-driven

The Nordic countries, Sweden, Denmark and Finland illustrate this model, as does the Netherlands, with Sweden as perhaps the purest example. In all countries adult education participation is high; there is high school retention and higher education participation; literacy rates are among the best in OECD countries, and there are high participation rates in training in industry.[14] A high value is placed on education and learning in the culture.

This approach encompasses the broader policy culture, as discussed in chapter 2, with aspects such as the industrial relations system, active involvement of the social partners, industry ownership of training, and the role of compulsory levies significant. Overall, it fosters a partnership approach which is deeply embedded in the culture.

director of training at Scandinavian Airlines System (SAS) in the following terms:

> *The border between training/learning and internal communications is increasingly difficult to draw. There is increasing awareness that internal communications are also learning activities, meaning that there is a need for closer ties between the two strategies.*[13]

It is likely that this trend will accelerate as knowledge management systems become more widespread in industry, so that this will contribute to the shift from training to continuous learning in the knowledge-based economy. The growing use of modern learning technologies in industry will also drive this development.

Two models for fostering a learning/training culture in industry

Our observations across the countries we studied pointed to two broad models for fostering a learning/training culture in industry. These may be termed:

- *culture-driven:* the approach in Sweden and other Nordic countries (Denmark, Finland), and which is also found in some Asian countries such as Singapore, where a strong Chinese Confucian tradition has been an influence with high value placed on education
- *standards- and partnership-driven:* the approach in Britain and the United States where there has been less of a learning culture and the high value placed on education in the traditional culture found in the first group of countries

While these two models can be distinguished, government policy has also been an influence in each of these countries through policies in areas such as incentives, information and marketing, technology and infrastructure. The interaction of policy with these orientations is an area that requires further study.

Culture-driven

The Nordic countries, Sweden, Denmark and Finland illustrate this model, as does the Netherlands, with Sweden as perhaps the purest example. In all countries adult education participation is high; there is high school retention and higher education participation; literacy rates are among the best in OECD countries, and there are high participation rates in training in industry.[14] A high value is placed on education and learning in the culture.

This approach encompasses the broader policy culture, as discussed in chapter 2, with aspects such as the industrial relations system, active involvement of the social partners, industry ownership of training, and the role of compulsory levies significant. Overall, it fosters a partnership approach which is deeply embedded in the culture.

This learning culture in society appears to flow easily to investment by firms in learning and training. A significant number of firms from Sweden, Denmark and Finland have been competitive in global markets and provide examples of good practice in human resource development.

Countries with a strong Confucian tradition marked by the value placed on education, such as Singapore, Taiwan, and South Korea, appear to share a number of the same characteristics as the Nordic group.

It is also significant that governments in most of these countries have instituted policies to develop a high-technology economy, with education and training policy an integral part of these policies.

Standards- and partnership-driven

The standards- and partnership-driven model is found in the Anglo-Saxon countries, Britain and the United States, and also appears more relevant to the Australian situation, at least in the short term as a learning culture is developed.

While we have assigned Britain and America to this model, there are differences in the approaches adopted to establishing a standard of good performance in the two countries, and two variants may be identified:

- *a benchmarking approach:* a common approach in the United States
- *a standard and targets approach:* adopted in Britain and aligned with infrastructure, incentives, marketing, and other policies intended to drive achievement of national targets

In both countries linkages have been sought with policies that can drive and support the good performance standard. These linkages are stronger in Britain because of the stronger government role in learning and training strategies. Like the first group, these countries are attempting to build a partnership approach but as yet this is less deeply embedded in the policy culture, although there has been striking partnership development in the United States.

The benchmarking approach

This is a common approach to good performance in the United States. This approach has grown out of the strong quality movement in the United States which has been manifest in good performance standards such as in the Baldrige awards.

This approach is illustrated by the work of the Benchmarking Forum of the American Society of Training and Development and is also common in special activities such as Industry Week. Industry associations such as the National Alliance of Business, the National Association of Manufacturers, and the US Chamber of Commerce have been active in disseminating benchmarks of good practice.

The American Society for Training and Development in 1991 established its Benchmarking Forum as a consortium of private and public organisations to benchmark training, learning and performance improvement processes, practices and outcomes. While many firms from around the world are members, the majority are American. This work leads to an annual state of the industry report with substantial benchmarking information shown for three groups: 'benchmarking service', 'benchmarking forum', 'leading edge'.[15]

In 1998, 801 American organisations were members of the 'benchmarking service' while 55 organisations were designated as 'leading edge' from the data supplied. These firms are identified using cluster analysis with the application of five indexes (innovative training, mandated training, performance appraisal, high performance work, innovative competition). Leading-edge organisations scored highly on five key criteria which reflect a learning and training culture.

The 1999 ASTD state of the industry report showed:

- increases in the expenditure on training and the proportion of people trained
- increased use of modern learning technologies
- a growing gap between leading edge organisations and the industry as a whole
- an increase in the introduction of innovative training, work and compensation practices
- firms that provide training showed productivity increases[16]

The growing gap between leading-edge firms and the remainder was confirmed in the joint report of the Commerce, Education and Labor Departments in *21st century skills for 21st century jobs.* This showed that, whereas best practice firms such as IBM, Motorola, and Federal Express spend between 3 and 5 per cent of payroll on training, over half (53 per cent) of American manufacturers spend less than 1 per cent on training, and 4 per cent of manufacturing companies spend nothing. This report also showed that education and training effects were heavily concentrated in large firms and firms with lower turnover.[17]

Data from these sources suggest a two-cultures situation in American industry: a minority of leading-edge firms with a committed learning/training culture and a majority lacking this culture and commitment. European Union data on industry training indicate a similar situation, although with significant differences between EU countries, suggesting the powerful influence of culture on motivation to invest in learning and training.[18] However, data from the ASTD Benchmarking Forum suggest a trend among some non-leading-edge firms of investing more heavily in training, at least among firms that have the interest to be members of the 'benchmarking service'.

As noted above, benchmarking is driven by the strong partnership development in the United States as discussed in chapter 4, with government infrastructure policies encouraging this development.

Standards and targets approach

Britain illustrates a variant on a standards-driven approach with the incorporation of the standard in the national learning targets to be achieved by

2002. We discuss in chapters 3 and 7 above, the way in which the Investors in People standard has been built into national planning to make Britain a learning society. This involves the targets that by 2002 45 per cent of medium-sized organisations will be recognised Investors in People and 10 000 small organisations will have achieved the standard.[19]

While the Investors in People strategy is essentially a form of benchmarking good practice, it goes beyond the typical American benchmarking strategy in the range of indicators of performance built into the detailed specification of the standard. The national target for 2002 is facilitated by a program that provides support materials and advice to small firms seeking to achieve the standard.

A critical feature of the British approach are the linkages that are forged between the national standard and targets, and the other policy instruments discussed in this report. These include the infrastructure policies (Lifelong Learning Partnerships, Learning and Skills Councils) incentive and information policies and the use made of technology in the role of the University for Industry. These policies aim to build local networks to drive achievement of the national targets.

The outcomes of the British approach will be evident in the progress towards achieving the 2002 national targets. Monitoring this development will be a matter of considerable interest.

Support for industry/education partnership development

An impressive feature of the countries we studied is the strong support given to industry/education partnership development. This is particularly the case in the United States where industry associations (such as the National Alliance of Business and the various industry chambers), government agencies, foundations, and a range of other intermediary bodies all support this development in various ways. The Department of Education *Business guide for implementing strategic education partnerships* is typical of the extensive support materials available for business and industry.

In European countries, such as Germany, the Netherlands and Sweden, industry/education partnerships are encouraged by the tripartite nature of decision-making in vocational education and training policies. In all countries, closer co-operation between schools and enterprises is advocated, although it must be recognised that teachers and parents often remain suspicious of the non-educational motives behind such advocacy.

An international comparison of firms

In addition to the OECD and Cereq international studies that we cite, a further cross-national comparison of investment by firms in training has now become available through the *2000 international comparison report* of the American Society for Training and Development.[20] This report on worldwide patterns on employer-provided training is based on returns from over 900 firms, 501 American and over 400 from other countries (Europe 116, Australia 42).

While this sample is self-selecting in that it is based on firms with an interest to submit returns to the ASTD questionnaire, it does show some interesting features that align with our conclusions from other sources.

- The European firms were the only firms to average over 3.0 per cent training expenditure as a percentage of payroll and were significantly ahead of American firms (2.0 per cent) and Japanese firms (1.2 per cent). The Australian firms averaged a credible 2.5 per cent.
- The Australian firms made little use of modern learning technologies in delivery (Australia 4.2 per cent, US 8.5 per cent, Europe 8.1 per cent).

The strong performance of European firms on expenditure as a per cent of payroll poses the question whether this is due to the influence of European Union policies and the greater interest taken in lifelong learning in Europe than in other regions. These are issues that should continue to be monitored, in particular the question of whether the development of national policies for lifelong learning leads to greater investment by firms in training and learning.

Implications for Australia

This is one of the key areas of Australian policy. Australian firms are subject to the same pressures discussed above, and their responses appear to be along the lines of those discussed. As in America, there is some evidence of a growing gap between good practice firms and poor practice in adjusting to the imperatives of the new economy (including the emerging knowledge-based economy) and policies are needed that address this gap, including the new skill imperatives in the more dynamic industries.

It is realistic to assume that the majority of Australian firms do not possess a learning and training culture and that short-term profit perspectives tend to dominate against longer-term perspectives in workforce investment. Fostering a culture of learning in Australian industry, in particular in the small business sector, needs to be seen as a long-term goal to be achieved by a battery of policies over time and which address the key themes discussed in this report. Of the two strategic models discussed above, the standards and partnership approach adopted in America and Britain appears the more relevant to Australia if supported by infrastructure, incentives, information, marketing, and technology policies, as is happening in Britain. There is a strong case to test the feasibility of a standards and targets approach in Australia, possibly along the lines of the strategy adopted in Britain. As in Britain, this should be supported by linkages to the other policies indicated above. There is also a need for materials and services to support industry/education partnership development along the lines common in the United States.

Notes

1 Thurow 1996, p.8.
2 *Fortune* 1993, pp.66–77.
3 Departments of Commerce, Education, Labor & National Institute for Literacy 1999.
4 Ibid, p.3

5 OECD 1999e.
6 Ibid, p.177.
7 See report of Leadership Group 1999.
8 ASTD 1999.
9 Ibid, p.7.
10 Halal 1998; Halal & Taylor 1999.
11 Moser Working Group 1998; Leadership Group 1999.
12 ASTD 1997
13 Basse et al. 1998, p.6.
14 See appendix 2 for an outline of Swedish development and characteristics.
15 ASTD 1999.
16 Ibid.
17 Departments of Commerce, Education, and Labor & National Institute of Literacy 1999.
18 Cereq 1999; OECD 1999h. See also appendix 5.
19 DfEE 1999b, pp.8–10.
20 ASTD 2000a.

Part IV
Conclusions

Part IV sets out a summary of our main findings and the implications for Australia. The key implications are listed at the beginning of chapter 12. The implications point to the need for a new phase in VET development in Australia which addresses the imperatives of the new economy, strengthens the linkages between VET and the other sectors of education and training, and which has an overall demand-side orientation in policy which will stimulate and support demand for learning from individuals, employers, and communities on a whole-of-life basis. Ways in which these objectives are being addressed in Britain, Sweden, and the Netherlands are illustrated in the country overviews given in the appendices.

11 Main findings

The main findings of this study may be summarised as set out below. Comment follows on these findings, while the implications for Australia are then discussed in chapter 12.

Contextual influences on policy

While policy in all countries has been influenced by key contextual shifts (including the impact of globalisation, technology, and the emergence of a knowledge-based economy), a particular influence has been concern at skill shortages accompanying these changes. We found that all countries are grappling with the issue of how to adapt their strategies for skill formation and workforce development to the dynamic context of rapid change that confronts them. A powerful stimulus towards devising and implementing learning strategies exists in the perceived growing gap between the skill needs of the new economy and the skill levels of the existing workforce. While this motive is particularly strong in American government and industry circles, it also exists in Britain, and, to a lesser extent, in the other countries.

The key role of values and long-term investments in human resources

Sweden in most respects illustrates the key features of a learning culture with a value system which has matured over time and which encourages and supports continuous learning throughout society in what has been termed 'social individualism between raging horses'.[1] The Swedish case shows a powerful reconciliation of individualism and social obligations with long-term perspectives with managers and other leaders who encourage investment in human resources on a whole-of-life basis. The Swedish model has developed and matured over the past century, in line with the industrial development of Sweden, and is not easily exported. Britain is attempting to build a similar socially oriented learning culture through government leadership, with comprehensive linked policies in a system that is closer to the Australian situation. Both the Swedish and British models emphasise partnership and mutual obligations linked to a developed view of society. The impact of the emerging knowledge-based economy and associated pressures for innovation is increasing the significance of attitudes and values.

The pivotal role of policies to build partnership and mutual obligations

All systems we studied place partnerships between stakeholders at the centre of policies and strategies to build a learning culture. In the case of Sweden, Germany, and the Netherlands, this partnership ethos has evolved over time and is reflected in the policy culture and industrial relations systems of these countries. Both Britain and the United States are using infrastructure, incentive, information, and other policies to build such a partnership ethos which is redefining the roles of stakeholders and leading in the direction of a mutual obligation society. In all systems, policies and strategies are used to promote collaboration and partnership at a local level.

Key role of intermediary bodies

A striking feature across all countries was the key role of a wide range of intermediary bodies in building partnerships to forge a learning culture. In the United States this arose from both a community and entrepreneurial tradition in the culture, as well as from government policy (with a similar situation in Germany, Sweden, and the Netherlands), while in Britain, government policy has explicitly established bodies such as Lifelong Learning Partnerships and Learning and Skills Councils to undertaken this role. However, even in Britain, private initiative is significant in developments such as Learning Cities. In the continental European countries the consensual industrial relations and policy culture favours the role of these bodies which have a key role in building an active civil society underpinned by partnership principles. This is a crucial foundation for building a learning culture in these countries.

Attributes of a learning and training culture

While the concept of a learning and training culture is evolving in different ways in the countries studied, there are certain general themes which are reflected to varying degrees in each of these counties.

- Policies have been adopted to address the values that underpin a learning culture so that learning is valued and celebrated.
- Policies have been adopted to build partnership and mutual obligations among stakeholders. We found a diverse range of partnerships with innovative forms of public-private partnership emerging in some countries and with a significant use of infrastructure policies to build local partnerships.
- Building foundations for lifelong learning for all students is a priority of school reform.
- There is a blurring of traditional boundaries between social and economic policy and in some countries learning has been placed at the centre of economic, social, and cultural development with the active development of linkages between spheres of economic and social activity.

- This trend is leading, in some countries, to a notion of 'joined-up' policies with various steps being taken towards a whole-of-government approach.
- Building systems for continuous learning at the local level is a priority of policy with a range of policy instruments adopted.
- There is a concern to strengthen access to learning opportunities for non-participants in the adult population, and those with basic skill deficiencies, and a strategic approach to this objective has been adopted.
- The workplace has been recognised as a key learning environment.
- Technology has been actively used in supporting policies and strategies.
- Adult and community education has been used as a key policy instrument in countries with the most fully developed learning culture.
- Artificial boundaries between forms and kinds of learning are being progressively eroded.

Blurring of economic and social divide

The contextual influences driving change in all systems are blurring the traditional divide between economic and social policy. In the emerging conditions of the twenty-first century, where a capability for continuous learning is relevant to both economic and social outcomes, there is a trend for 'joined-up' policies which link economic, social, and cultural objectives. This has long been a feature of Sweden, and other Nordic countries, but is now a key feature of the British reforms.

The 'two cultures' phenomenon

There was evidence of a 'two cultures' situation both in the divisions in society between learners and non-learners, and also in business and industry. While the concept of a 'digital divide' symbolises the social divide between learners and non-learners in an information society, this division into two cultures is also reflected in industry in a growing bifurcation between learning-rich and learning-poor firms in an age of transformation and exponential change. A key issue is to find strategies to address this two cultures phenomenon and to generalise good practice.

Access

We found that effective access to learning opportunities for all groups in the population was seen in these countries as the essential requirement in the crusade for lifelong learning. There was also a high degree of consensus on the definition of particular targets for different groups, as agreed within the OECD, if this objective is to be achieved. We also found that access policies had been caught up in the perceived need to upgrade the skill levels of the existing workforce (including literacy levels), in particular in the United States and Britain where the greatest deficiencies in basic skills exist in the adult workforce. While there was a broad consensus that progress had been made in the sectors of the formal education system, the main bottleneck to the realisation of lifelong learning, and hence to the achievement of a learning culture, lay in the area of adult education and training and the unequal opportunities still evident. We also found that technology, aligned with other strategies, is opening up innovative access strategies, as in the current British developments.

Foundations

Achieving foundations for all as the basis for lifelong learning is an objective of policy in all countries studied. This is generally interpreted as basic educational preparation and so extends to the proportion of the adult population who lack this basic educational foundation, as well as to children and young people. Addressing the problem of adults lacking basic educational foundations (especially literacy but also computer literacy) is seen as a major issue in Britain and the United States and has stimulated policy responses.

Our main findings in this area are as follow.

- There is a resurgence of interest in equity in the context of the new economy.
- This has led to renewed interest in innovative initiatives in compulsory schooling directed at aligning programs, organisations and methods (including ICT) to the perspective of lifelong learning.
- In post-compulsory schooling achieving a more balanced relationship between general education and vocational education is a key issue.
- Addressing basic skill deficiencies in adults is a key issue.
- Other issues include improving guidance and counselling, achieving a nationally recognised qualifications and credit accumulation and transfer system.

Beyond programs: Towards systems for continuous learning

In all countries, although to varying degrees, policy is moving beyond a programs approach towards creating ongoing systems for continuous learning. This trend is evident in new forms of public–private partnership, in building linkages between policies and programs, and in steps towards a whole-of-government approach. This development is redefining roles and relationships among stakeholders. It is particularly evident in infrastructure and other localisation and partnership policies which are building local systems for ongoing learning and skill formation

Learning and urban and regional development: Addressing the growing divide

A significant feature in all countries was the way learning and training strategies were linked to regional and urban development policies to address the growing divide between winners and losers in the new economy and new society. Britain is typical as demonstrated by the links between the new Learning and Skills Councils and Regional Development Agencies, and the role of the Single Regeneration Budget which spans economic and social objectives in promoting regeneration of disadvantaged communities.

Key role of technology

Using new information and communication technologies as a major instrument to build a learning culture and society was a significant theme across all countries. However, the strategies adopted differed, with varying balances in public and private roles. While Britain illustrated government leadership in forging new instruments and new forms of public–private partnership, the United States showed a largely market-led situation driven by the growing market for learning and the potential of dynamic technologies. All countries recognised social and educational issues arising from the 'digital divide', with inequities in access to the new technologies, and with the perceived need to harmonise learning and technology strategies. This is an area for ongoing monitoring and policy review.

Information and marketing

All countries have given priority to improving information systems relating to education, training, and job opportunities. Technology has been harnessed for information systems such as the British Learning Direct and American Learning eXchange, and the Internet is playing a growing role. A common theme was to link information strategies more closely to infrastructure and access strategies so that building partnerships and networks becomes a key instrument for information dissemination. The British approach illustrates this nexus.

There are five key features in the approach to marketing. These are:

- the mix of national and local campaigns with local action of growing significance
- the key role of peer and community networks
- the growing role of technology
- the role of special events
- the research role in the devising and monitoring of strategies

The balance in these components differed between countries with Britain the best example of all five elements aligned with government policies to build Britain as a learning society.

Incentives

While incentives for participation in learning were generally recognised as central to policies to build a learning culture, there appeared to be less consensus on the most appropriate policy instruments to address this objective, and we found a mix of policies and strategies directed at various facets of intrinsic and extrinsic motivation for participation. This patchy situation lends credence to the view that motivation for participation in learning is complex, with variations between individuals, cultures, and contexts.

However, we observed a good deal of experiment with instruments such as the British individual learning accounts and learning card, the American individual training accounts, and the role of family learning strategies in both Britain and America. The role of peer networks in providing incentives and support was explored through programs such as Union and Adult and Community Learning Funds. A controversial area resided in the value of tax credits for employers which were often recommended but less frequently given effect.

Individual responsibilities and mutual obligations

A corollary of the pivotal role of partnership strategies we identified, was the interest in re-defining the roles and responsibilities of stakeholders in a learning society. This was generally, as in Britain, in terms of individual responsibility for lifelong learning and the mutual obligations of partners. A number of the policy instruments discussed in this report were used to encourage individual responsibility, and the mutual obligations of individuals, employers, families, and communities. This interest was reflected in the concept of corporate citizenship which has been promoted in both America and Britain, and which has long been a feature of the Swedish, German, and Dutch traditions and policy culture. These ideas were linked in Britain and America to efforts to revitalize the notion of an active civil society, and combined with policy instruments directed at community capacity-building.

Training, learning, and performance

We found indications of the early stages of a paradigm shift from a training paradigm to a learning and performance paradigm across the five countries driven by the contextual influences outlined in chapter 1. Key influences include the impact of new technologies and new management and human resource philosophies, and the pace of change. However, the situation is uneven between countries, industries, and firms. Leading-edge firms in America illustrate these trends but with evidence of a widening gap between good and poor practice

Educational attainment and training

We found a strong association between national levels of educational attainment and achievement, and the level of workforce training. Workers tend to receive more training in countries with higher overall levels of educational attainment and achievement, as well as countries directing a larger share of GDP to research and development, and achieving a strong trade performance in 'high tech' industries. This pattern is confirmed by OECD data.[2] It is likely that countries such as the United States will build a learning/training culture through this pathway.

Culture, social capital, and human capital in a knowledge-based economy

Overall, the study pointed to the critical significance of the interaction between culture and the development of social capital and human capital in the emerging knowledge-based economy. In this environment, values are increasingly important in the generation of new knowledge and its application, and in the complex relationships of social capital and human capital. The Swedish model illustrates good practice in embedding policy instruments in the cultural milieu so as to build social capital and human capital over time. The infrastructure and other policy instruments adopted in Britain and the United States, if successful, will build social capital while also addressing the regeneration needs of disadvantaged urban and rural areas. A crucial element in these policies is the linking of learning and skill formation strategies, as in the British Learning and Skills Councils. This will involve a more strategic role for adult and community education, which has long been the case in Sweden and other Nordic countries.

Linkages and 'joined-up' policy

A further important development was the growing interest in the active fostering of better linkages between policy instruments with the notion of 'joined-up' policies leading in the direction of a whole-of-government approach. This is a necessary condition for building a learning society. Current British policy to build a learning culture illustrates this trend in which economic, social, and cultural objectives are increasingly linked at both national and local levels, while this has long been a feature of Sweden. This development is a concrete manifestation of the trend noted above to move beyond programs towards systems for continuous learning. However, this objective is more easily achieved in unitary systems such as those in Sweden and Britain than in federal systems like the United States, Germany, and Australia.

Understanding the influence of culture

Overall, the study highlighted the influence of culture on economic and social outcomes, and pointed to the need for a deeper understanding of the influence of culture in underpinning policy development across both economic and social sectors. In a number of key respects, culture conditions the dispositions of individuals, enterprises, and communities to engage in ongoing learning, and so serves as a bridge between economic and social objectives and outcomes in a society.

Comment on key findings

We comment below on a number of the key findings that are particularly relevant to the implications for Australia that we then discuss in chapter 12. The ramifications of a learning culture are both widespread and pervasive so that taking stock and reframing perspectives is a constant requirement.

Manifestations of a learning culture

While there are multiple facets to a learning culture, with major social and economic ramifications, these facets need to be brought together in harmonised and concerted strategies if the concept is not to be distorted and diluted. The findings of this study confirmed our view that the development of a learning culture both contributes to, and eventually derives from, the success of systems of lifelong learning, in which the motivation and commitment of individuals to learn throughout their lives is a critical factor.

However, the motivation of individuals alone does not make a learning culture, and broader social and community aspects also need to be taken into account. Community capacity-building, fostering social cohesion, and what we have termed mobilising civil society, is evident in the policies and strategies followed in countries as diverse as Sweden, the United States, and Britain. The overview of Swedish development towards a learning society, outlined in appendix 2, is instructive in this regard, and may be compared with the major efforts being made in the United States at present by government, industry, and unions in partnership to mobilise American civil society to address the perceived educational, skill, and exclusion issues. Similar policies are being implemented in Britain.

For these reasons, the manifestations of a learning culture are many and varied, and range across the disposition of individuals, employers, unions, communities, and governments to invest in learning for a mix of economic, social, civic, and cultural reasons. The way in which these strands of a learning culture are intertwined and mutually supportive in symbiotic relationships is demonstrated by the Swedish experience over the past forty years, and that of countries such as Denmark and the Netherlands—and more recently Finland. Good corporate citizenship is not an isolated phenomenon but rather is the tip of an iceberg that is sustained by the values and traditions of the society, and expressed in the policy, culture, quality of civic life, and arrangements of the country.

For this reason, building a learning culture is a long-term venture which requires vision, a sense of history and deep understanding of the local culture, concerted action, and joined-up policies which address the multiple facets that bear on cultural change. Current British policy provides a good example of such a comprehensive approach.

It is also evident from our review that a learning culture is an adaptive culture with the capacity to innovate in both social and economic domains. The history of Sweden, the Netherlands, and the Nordic countries (as well as Germany and Japan) over the past fifty is instructive in this regard. Moreover, the manifestations of a learning culture may be observed in entrepreneurial regions such as Silicon Valley, cities such as Glasgow, and successful firms in the environment of the new economy.

Bottlenecks and challenges

Our overview of country experience in developing policy to build a learning culture and society suggests that certain major bottlenecks and challenges need to be addressed. The most critical of these are:

- combating school failure
- resolving the problem of the 16–19-age group and the transition to adult life, and breaking down the traditional general education/vocational education dichotomy including the relationship of school-based programs and employment-based programs
- revitalising adult education and enterprise-based training

While revitalising adult education and enterprise-based training is possibly the strongest and most intransigent bottleneck, it is heavily dependent on successful action taken in addressing the first two issues. Ways of addressing these roadblocks to a learning society are discussed throughout this report and are encapsulated in what we set out below as four pathways to a learning culture and society.

Drivers of change and dominant themes

Policies to build a learning and training culture in the countries we studied have inevitably been caught up in the impact of the contextual shifts and influences discussed in chapter 1. The most significant of these influences appear to be globalisation, the impact of technology, and the exponential pace of change. For this reason, we observed a complex interaction of culture with the drivers of change with country differences significant. Nevertheless, there were certain dominant themes present in all countries.

- All countries are attempting to link learning strategies with skill strategies and to modernise skill strategies in the context of the new economy.
- Building partnerships was central to this objective with infrastructure, incentive, information, marketing, and other policies used for this purpose.
- Using infrastructure policies to build local partnerships to address local needs in the context of rapid change was a central feature.
- There were indications that this approach was a component of a broader approach to build a civic framework for a knowledge economy.
    - In this context the relationship between culture and values, the generation of social capital and human capital is critical.
    - While Sweden offers the most developed model in this respect, British policy is directed at this objective and this theme is being played out, with country variations, in each of the countries we studied
- These broad directions for policy mean that linkages between policies and programs have become increasingly significant with 'joined-up' policies becoming a key objective, and with increased integration of social and economic objectives.

- While efforts are being made to integrate local action and national action (both Britain and Sweden provide good models), the local theatre of action appears to illustrate these developments the most clearly with partnership strategies at the centre of development.

The other policy instruments discussed in this report are interacting with these broad directions for policy, with the role of technology of increasing significance.

While the themes outlined above may be observed in all countries, at varying stages of development, the interaction of these themes with history, politics, and the economy leads to a spectrum of models.

Sweden appeared to the team as having the most fully developed and mature learning and training culture, but this is the product of Swedish history and development and not easily exportable. A number of the Swedish characteristics were shared by other Nordic countries such as Denmark and Finland so that it appeared feasible to identify a 'Nordic model' as exemplifying a certain approach to building a learning and training culture. Germany is a case apart, dominated by a system which had stood it well in the past but is now increasingly recognised as inadequate for meeting the challenges of the twenty-first century, and yet difficult to change. The Netherlands is similar in key respects. The role of learning and skill strategies in policies for building a high-skill/high-technology-oriented economy in these countries is interesting, as it is in countries influenced by Confucianism such as Singapore, South Korea, and Taiwan.

Britain, on the other hand, provides an example of comprehensive policies intended to change the culture and build a learning culture to underpin a high-skill economy. As in Sweden, social and economic objectives are brought together in an integrated approach. The British approach is relevant to Australia in a number of key respects, including the approach to linking learning and skill strategies, and the role of infrastructure policies in this connection.

The United States shows a complex pattern of development, with substantial diversity within the American federal system. As a federal system its approach has relevance to Australia. The themes outlined above may be observed in the strong focus on partnership development, using infrastructure and other policies for this purpose, and in the way federal, state, and local roles are linked in federal programs. The key role of intermediary bodies and industry associations is one of the significant features of the American scene where new forms of public–private partnership are emerging as in Britain.

While America largely illustrates a free-wheeling market-driven approach, nevertheless, the role of government infrastructure, information, and incentive policies is significant in linking stakeholders to address key issues of mutual significance, including skill and equity issues.

Possibly the most significant theme to emerge from this study relates to the way skill strategies are being reconsidered in a context of exponential change and structural shifts in the emerging knowledge-based economy, and with growing links between learning and skill strategies. While all countries are concerned with skill shortages in the growth industries of the new economy, Sweden and Britain have gone furthest in seeking to forge dynamic links between learning and skill strategies in working towards a new strategy for skill development in the conditions of the twenty-first century.

Learning and skill in the new economy

The countries studied are attempting to respond to the conditions of the new economy through strategies that link lifelong learning and ongoing skill formation. Key influences on this development include the requirements of the knowledge-based economy and the pace of change which are making traditional approaches to skill increasingly inadequate. The situation in new industries, such as information technology and telecommunications, exemplify these issues most starkly, and we found that meeting the skill needs of these industries was under review in countries such as the United States and Britain. In Britain a national skills task force has been established to develop recommendations for a national skills agenda and will present its final report early this year. Modernising the skill formation system in the conditions of the 'new economy' was a central theme across all countries.

The inherited culture, which conditions the disposition of individuals, employers, and communities to invest in learning on a lifelong basis, was a dominant influence on the strategies adopted in the countries we studied. In a knowledge-based economy, values have assumed increased significance and need to be brought into national strategies for skill formation and maintenance, and economic development. We observed the influence of values in such key areas as the disposition towards spontaneous sociability and association, the level of trust in the society, and the inclination towards partnership-building and a sense of mutual obligations.

These attributes we found most clearly in Sweden where they have been expressed in the evolutionary stages in the development of a learning and training culture over a fairly significant period of time. They are reflected in the distinctive Swedish form of 'social individualism', which Hampden-Turner and Trompenaars comment on, and which has driven the social and economic development of the country. These attributes are also expressed in various ways in Germany, the United States, and the Netherlands. In the case of the United States, tensions between the individualistic and community-oriented traditions in the culture have set the stage for the interplay of policy, strategy, culture, and outcomes, and are present in what Daniel Bell sees as the cultural contradictions of capitalism.

The impact of the new economy was further evident in signs of a paradigm shift from a training paradigm for skill formation inherited from the industrial era, towards a learning and performance paradigm appropriate for an information society. However, the extent of change is uneven between countries, industries, and firms, and we saw various indications of what we have termed a 'two cultures' phenomenon in the interplay of the old and the new.

This shift is symbolised in the new British network of Learning and Skills Councils which are to replace the Training and Enterprise Councils. In this context, language is significant, and there are grounds for believing that a central challenge in the new economy resides in finding new and innovative forms of association and connection between learning and skill strategies, at all levels, which will drive the dissemination of lifelong learning habits and values throughout society, and the building-up of a learning culture to support economic success, social cohesion, and quality of life.

The integration of learning and skill strategies is especially significant in the case of the more dynamic industries of the new economy if skill formation strategies are to be responsive to rapidly changing conditions and opportunities. This requirement was recently encapsulated in a 1999 report of the United States Department of Commerce, *The digital work force: Building infotech skills at the speed of innovation.* How to update skill formation strategies so that infotech (and other skills) can be built at 'the speed of innovation' must remain a central issue for policy in the emerging knowledge-based economy. This will require that the learning/skill nexus be deeply embedded in the workplace, in the education and training system, and in the culture that finds expression in each of these contexts.

Pathways to a learning society

The evidence we observed points to the need for a multi-level, multi-faceted approach to build a learning and training culture and society. The various components discussed in this report contribute to this objective. These include:

- school reform to ensure the *foundations* for lifelong learning for all students
- *infrastructure* and other policies to build partnership and collaboration among stakeholders, in particular at a local level
- *incentives* for individuals, employers, families, and communities to invest in learning
- *access strategies* that link to other social and economic policies and strategies and to the other policy strands (for example, incentives)
- comprehensive *information* in readily accessible forms linked to support networks and systems, and with targetted marketing that also links to the other policy instruments and networks
- innovative and creative use of *technology* supported by high-quality materials
- wide acceptance of the need to make the *workplace* a quality learning environment
- *links* between these policies and other social and economic policies and programs so that 'joined-up' policies become mutually reinforcing
- strong links to the *civic fabric* of society so that an ethic and values are fostered that support partnership, mutual obligations, and a passion for learning and innovation

These objectives and strategies underpin the current efforts of the British Government to build a learning culture and society in Britain. Most of these elements may be observed in the experience of Sweden over the last forty years in seeking to build a learning society. Aspects of these elements may be seen in the policies adopted in Germany and the Netherlands.

While the components listed above can be linked in various ways in strategies to build a learning culture, our overview of policies in this selection of OECD countries suggests that four pathways to a learning culture are particularly significant. These are:

- the *workplace pathway* through linking learning, skill formation, and knowledge generation strategies
- the *school pathway* through ensuring foundations for all students and effective transition into society
- an *equity pathway* through building an equity culture so that a learning culture extends to all in a cohesive society
- a *civic engagement pathway* through civic engagement and community capacity-building so that values and habits support partnership, mutual obligations, and good citizenship in a learning society to underpin the range of policies and strategies adopted

All the policies we observed relate to these pathways. Some provide links between pathways; for example, the role of infrastructure policies in Britain, the United States, and Sweden. Recognition of the interdependencies between these pathways adds to the value of policies and strategies that provide linkages across the pathways in 'joined-up' action.

Overall, the problem that emerges from this study of policies in five leading OECD countries is a complex one with the themes discussed above pointing to certain common elements in a general context marked by radical transformation and disequilibrium, and tensions between the old and the new.

In this context a number of general policy issues may be identified which are as relevant to Australia as to the OECD countries. These issues are:

- the need for policy coherence, based on partnerships but with government assuming responsibility for establishing a framework and infrastructure for action and monitoring the outcomes of this action
- the need for determined efforts to build up an overall system based on social consensus and stronger social cohesion, while at the same time addressing immediate priority needs such as modernising skill formation in the new economy
- the critical role of adult education, including enterprise-based learning, in leading society in these directions, as well as the key role of intermediary bodies in forging alliances for action
- bringing about, within the school system, greater convergence between general education and vocational education and training, and improving the education chances of the socially disadvantaged

We discuss in chapter 12 which follows the implications of these issues for Australia.

Notes

1 Hampden-Turner & Trompenaars 1993, pp.236–64.
2 OECD 1999h.

12 Implications for Australia

The points listed below summarise the major implications for Australia as identified by this report.

❖ Australia lacks infrastructure and related policies to build partnerships between stakeholders, in particular at a local level. There is a need for policies to mobilise civil society through partnership action.	Chapter 4
❖ Because of this, connections between vocational education and training (VET) and economic and social policy are not sufficiently developed at a local level to foster national objectives such as building an innovation culture, regenerating country areas, and adapting to change. Britain and Sweden provide models of a different approach.	Chapter 4 Appendices 1 & 2
❖ Skill formation and learning strategies need to be integrated in response to the pace of change, the imperatives for lifelong learning, and the need to upgrade and maintain the skills of the existing workforce.	Chapter 4 Appendix 1
❖ There is an insufficient range of incentives to induce stakeholders (employers, individuals, communities) to invest in learning on a whole-of-life basis.	Chapter 7
❖ These gaps in policy and vision impede adult education playing a more strategic role in opening pathways for lifelong learning and supporting the building of a learning culture.	Chapter 5 Appendix 2
❖ The role of intermediary bodies (industry associations, unions, group training companies etc.) needs to be strengthened in brokering partnerships and marketing learning. Few of these bodies are ambassadors for learning.	Chapter 4

❖ Technology needs to be linked more closely to innovative learning strategies.	Chapter 9
❖ There is an absence of a national framework, linked to economic and social policy, to participate in the fight against exclusion.	Chapter 5
❖ A whole-of-government approach is necessary to integrate all the strands required for building a just and competitive learning culture. A useful start can be made at the local level.	Chapter 3 Appendix 1

The gaps in the Australian policy framework for building a learning culture are made more significant by the absence of a shared national vision of Australia as a learning society such as is being promoted in Britain and other European Union countries.

The findings and conclusions of this study, as summarised in chapter 11 have major implications for Australia. Australia faces the same challenges that this group of leading OECD countries face in responding to the pressures of the new economy, and the social issues that derive from the transformations associated with economic change.

Like these countries, Australia faces the awesome challenge of mobilising civil society in building an innovative learning culture to underpin our social and economic development and competitive position in the world in the post-industrial information era. This challenge extends beyond the roles of the sectors of education and training, and involves all sections of Australian society. This imperative places strategies for building partnerships, and a sense of mutual obligations and interests among all stakeholders (individuals, employers and communities), at the centre of the national policy agenda.

While countries such as Sweden, Germany, and the Netherlands (as well as countries like Japan, Singapore, Taiwan, and Korea) have been building components of a national learning culture over a substantial period of time, Australia faces, despite the progress of the past decade, a number of significant barriers in responding to this imperative. Moreover, a number of necessary elements are either missing or insufficiently developed in Australia.

- There is no local infrastructure to link learning and skill strategies and build partnership action among stakeholders such as we have noted in Britain, the United States, Sweden, and Germany.
- Values have been neglected in policy developments in the VET sector over the past decade, and in Australian educational policy generally, so that values to underpin partnership, enterprise, and innovation in a highly competitive knowledge-based economy are not sufficiently developed and embedded in Australian society; for example, learning does not figure among the important values in Australian society or its business culture.

- Adult education continues to have a marginal status and does not have a strategic role in building a learning culture as occurs in Sweden and the other Nordic countries.
- There is no shared national vision of Australia as a learning society, and no mechanism in place to build such a vision.

The cumulative effect of these barriers is that Australia faces a number of significant disadvantages in attempting to build an essential learning culture responsive to the shifting conditions and exponential pace of change of the new economy and the new society. These barriers need to be addressed if Australia is to achieve a learning culture so necessary for adapting to the conditions and opportunities of the new economy.

The Australian federal system also makes concerted national action in this area more difficult than in countries such as Britain, Sweden, and the Netherlands. Furthermore, we observed less concerted national action to build a learning culture in the other federal countries we studied (United States and Germany) than in the three unitary systems.

The pattern of much of Australian history with centralised State delivery of services, such as schooling, technical education, and health services, contrasts with the countries we studied where schooling and other key services are local responsibilities such that infrastructure for these local functions has developed which is now being strengthened and extended. This includes new forms of public–private partnership in strategies to build a collaborative learning culture.

Australia stands out as having no counterpart infrastructure to build collaboration and partnerships at the local level, and to stimulate the flow of new ideas and innovation. The development of a culture of innovation and enterprise in Australia will be impeded by this absence of a local infrastructure which could play a key role in both social and economic development, and in revitalising local communities.

Mobilising civil society for partnership action

> *... this is why the civil society is becoming critical for the future economic, social democratic future of post-industrial societies.*[1]

The analysis of this study points to the need to mobilise civil society in addressing the spectrum of issues thrown up by the transition to the new economy and new society. No section of society can address these issues alone. Thus, partnership strategies at all levels which concert the action of stakeholders, and which develop mutual obligations and commitments, are now essential.

We observed this development in Swedish policy over some decades of strengthening the distinctive Swedish form of 'social individualism' which is now also evident in the United States in the resurgence of partnership action in addressing the problems of schools, workforce development, and the need to upgrade the skills of the adult workforce. This is leading to a new mix in the individualistic, entrepreneurial, and community-oriented traditions in American culture. The current British reforms are also directed at active citizenship (for both individuals and firms), and community capacity-building and regeneration. Such action builds social capital, supports the development of human capital, and leads to productive relationships between individuals, community bodies, education providers, and firms. Separating social, educational, and economic objectives and strategies is no longer feasible in the conditions of the new economy.

Thus, a central implication of our study relates to the need for policies across all sectors, policies which stimulate the mobilising of civil society to advance social, educational, and economic objectives, and which provide mechanisms and instruments to enable this to occur. Exhorting employers to be good corporate citizens is not sufficient. The infrastructure policies discussed in chapter 4 highlight the policies being adopted in countries such as Britain, the United States and Sweden to build partnership, social capital, and community.

There are interesting signs of change across Australia as governments start to address the implications of lifelong learning. These developments include the Victorian pilot program for a Learning Towns Network,[2] the Tasmanian Minister for Education's proposals for lifelong learning in her *Learning together*[3] draft vision and South Australia's machinery to promote lifelong learning. Much would be gained by national action to strengthen these initiatives so that mobilising civil society for partnership action in building a learning culture becomes a national priority as is occurring in the European countries we studied. This is essential to avoid new inequalities emerging in Australian society.

Learning and skill in the new economy

The conditions of the knowledge-based New Economy, in particular the exponential pace of change, are leading countries such as the United States and Britain to review their strategies for skill formation. Britain is now developing a national skills strategy while some components, such as strategies to link learning and skill formation, are already in place.

Australia faces the same pressures in the new economy. A strong case exists therefore, for a similar review of ways of meeting Australian skill needs in the conditions of the knowledge-based new economy. A central aspect of such a review would be how best to link learning, skill, and innovation strategies so that an innovative learning culture is forged over time, one which provides an essential underpinning for ongoing skill formation, enterprise, and a capability for innovation in Australian industry, as well as meeting critical social objectives.

This will require a fresh look at the conceptual foundations and assumptions of the current approach to vocational training, as is recognised in a recent European Union review of vocational training policy.

> *But this has far-reaching implications and raises important questions about the organisation and content of vocational training systems, not least because the development of lifelong learning is serving to blur the traditional distinctions between initial and continuing vocational training, between formal and non-formal learning and between general education and vocational training.*[4]

The implications of this situation warrant the fullest consideration by all stakeholders in forging an Australian VET system relevant to the conditions of the twenty-first century. It would be timely for a mechanism to be established to re-assess the skill requirements of the knowledge-based new economy and strategies to accommodate these, as has happened in Britain and the United States.

Learning and innovation

> *In an entrepreneurial society individuals face a tremendous challenge, a challenge they must exploit as an opportunity: the need for continuous learning and re-learning.*[5]

In connecting VET more closely to economic and social policy in building a competitive learning culture, it is essential that learning and innovation strategies be connected.

An innovation culture is by its nature a learning culture, and current efforts to develop a national culture to foster innovation, as reflected in the recent National Innovation Summit and the ministerial white paper *Knowledge and innovation*, will fail unless complementary action is taken to build a learning culture as has happened in the leading OECD countries we studied. An innovation culture is not just a matter of habits and relationships linking research and industry, but is vitally dependent on the overall culture of the community and the values and structures that underpin this culture.

It is significant that countries such as the Netherlands, Denmark, Sweden, Finland, and Singapore, which have sought to develop a high technology economy, have all made learning strategies a central component of this development, as do successful companies in high-technology industries.

Moreover, the OECD in its current work on learning cities and regions has noted the connections between innovation and learning patterns and has concluded that innovation processes embody different forms of knowledge production and learning.[6] The recent OECD report on this work cites a range of research evidence in concluding that patterns of interactive learning provide the foundation for systematic approaches to the analysis of innovation processes,[7] and hence for the development of strategies to build an innovative culture.

For all these reasons, a national innovation strategy must address the deficiencies noted above in promoting enterprise, learning, the flow of ideas, a culture of continuous improvement, and the overall capability of industry for innovation. Strengthening the role of VET, schools, and adult and community development in this development is a necessary component in a national innovation strategy.

The centrality of partnership development at all levels in building a learning culture is a key finding of this study, while the role of infrastructure policies in forging such partnerships in countries like the United States and Britain is a notable feature of current developments. The absence of such infrastructure in Australia at the local level to link learning, skill, and enterprise strategies is a striking deficiency in Australia compared to all the countries studied. This deficiency reflects the pattern of Australia's history and development but is now a barrier in a world where 'regional motors of the global economy' are increasingly significant.

We suggest below the option of a national network of learning and skill partnerships (or learning, innovation, and skill partnerships) as a way of addressing this deficiency and providing a basis for cross-sectoral network and partnership development, the flow of new ideas, and the forging of a culture which values and expresses learning and innovation. Such an infrastructure could focus the action of schools, universities, the VET sector, business and industry, unions, community bodies, and the community generally towards these objectives. The British infrastructure of Lifelong Learning Partnerships, Learning and Skills Councils, and Regional Development Agencies will operate in a similar way.

Need for a demand-side orientation in policy with strengthened incentives

It was also evident in all countries that a demand-side orientation existed in policies to build a learning culture. Most policy instruments discussed in this report were directed at stimulating demand for learning among individuals, employers, families, and communities. The incentive policies discussed in chapter 7 exemplify this feature.

This is less the case in VET policy in Australia. While attempts have been made from time to time to refocus reforms on the demand side, most VET policy continues to be oriented to supply-side factors, while the major demand-side initiative, the Training Guarantee, has been shelved. While policies to build a training market, such as User Choice, have been useful, there is now a need to progress beyond these phases in strengthening incentives for lifelong learning.

We observed this orientation in incentive, information, marketing, and technology policies towards raising demand for learning. Most of these policies do not have Australian counterparts. There is, for example, no national information system to support learners as exists in the United States and Britain, and there is a paucity of incentives for employers to invest in learning and human resource development. Industry associations and unions are less active in stimulating demand for learning than in the countries we studied, and there is not the range of intermediary bodies active in this regard that we noted in the United States, Britain, and Germany. These issues have significant implications for the current initiatives to market VET.

This demand-side orientation is reflected in the British Government's green and white papers on building a learning society including the principle of:

> *putting people first rather than institutions first, sharing the responsibility for learning between employers, individuals, and the community as well as governments.*[8]

The principle of putting people first rather than institutions would obviously have major implications for the funding of education and training. However, if building a learning culture is really to become a demand-led process, as it must, this issue will need to be confronted.

A strategic role for ACE

Our observations across the countries studied point to the way in which adult and community education (ACE) is developing a more strategic role as an instrument of social and economic policy in the transition to a learning society. Sweden provides the best examples with the current Adult Education Initiative, which is redefining the role of the sector, but the emerging strategic role may also be seen in foundation and access policies in Britain and the United States and, in particular, in strategies to upgrade the skill levels of the existing workforce and address literacy deficiencies.

These developments are blurring the boundary between adult and community education and VET with the concept of adult education and training increasingly common in the countries we studied. The further impact of new learning technologies will further drive this trend.

This trend points to the need to review the role of the Australian ACE sector in building a learning culture in Australia, and to re-conceptualise the role of ACE as an adjunct to VET in the transition to a learning society while at the same time retaining the broader educational and social objectives of the sector. The convergence of general and vocational education places ACE at the frontier of this change and exciting opportunities exist in repositioning ACE in the transition to a learning society.

Strengthening the roles of industry associations, unions, intermediary bodies and communities

Australia also differs from all countries we studied in the stronger role that industry associations, unions, intermediary bodies, and communities in these countries have in extending learning. In the case of Sweden, Germany, and the Netherlands, such a role is deeply embedded in the tripartite arrangements that underpin the policy culture of these countries. This responsibility seems to engender a sense of obligation to promote national interests, including the national interest of extending learning to all so that a social coalition for learning is a natural expression of the culture of these countries.

Both industry associations and unions were active in extending learning among their members in all countries. In some cases this role was strengthened by government funding as with the British Union Learning Fund and the American government funding of the National Alliance of Business.

The American scene is instructive in the active role of industry associations, such as the Chamber of Commerce, National Alliance of Business, and the National Association of Manufacturers. In some cases these associations have established operational bodies to further this activity as with the Centre for Workforce Preparation of the US Chamber of Commerce and the Centre for Workforce Success of the National Association of Manufacturers. The National Alliance of Business is extremely active in furthering learning in business and industry and has on-line connections with 600 education/industry partnerships across America so that ideas flow easily across the country. The 1994 *School-to-work act* by 1997 had forged 1100 school/industry partnerships across America.

The work of these bodies is extended by a large number of intermediary bodies. These include bodies established by foundations (or funded by foundations), such as the Annenberg Institute on Public Engagement for Public Education, or by a range of community bodies, or resulting from entrepreneurial action by individuals. This quality of spontaneous sociability is one of the strengths of America in building a learning culture (as it is in Germany), but it does not have a ready counterpart in the Australian situation. It is of interest that the British Government has also supported this kind of development through support given to Learning Cities, community regeneration programs, and the role of Lifelong Learning Partnerships.

The important role of this spectrum of intermediary bodies is relevant to the general objective of mobilising civil society to build a learning culture discussed above, and offers one of the key strategic approaches. This is a question which requires urgent consideration in Australia.

Technology and learning strategies

Technology is playing a growing role in the countries we studied in building a learning culture. The British approach through the University for Industry and National Grid for Learning exemplifies the potential of an integrated national approach that links technology to innovation in learning strategies in new forms of public-private partnership. Providing high-quality materials is a key element. The potential exists to take the current Australian developments, such as EdNa (Education Network Australia), further in stronger collaborative action linked to building a learning culture and society, addressing disadvantage, and upgrading the skill levels of the workforce.

Building a national framework for the fight against exclusion

A major theme to emerge from our study was the need for holistic strategies to address disadvantage and exclusion while providing learning and employability foundations for all as the core component.

We discuss in chapters 6 and 7 the growing links between employability and foundation strategies, with the provision of a base for lifelong employability as an essential component in foundation education. This notion has impacted on the concept and role of school-based vocational education and training as an important instrument towards this objective, and as part of the total transition process to adulthood and lifelong learning. This report offers examples of strategies adopted in Britain, Sweden, the United States and the Netherlands to combat exclusion in this way.

A central aspect of such activity is the development of a national framework to stimulate and focus action of the many stakeholders, and to monitor progress through such 'joined-up' policies. Current developments in Britain illustrate this multi-level, multi-stranded approach with national monitoring through the national learning targets to be achieved by 2002.

The growing seriousness of the exclusion problem in the context discussed in chapter 1 of this report points to the value of such a national framework as a catalyst for concerted action by the full range of stakeholders, and as a framework for monitoring progress. Such a framework could stimulate much needed innovation and partnership action in the range of contexts discussed in this report, including the regeneration of disadvantaged communities in both rural and urban contexts. How to work towards such a national framework is a central issue arising from this study.

A core action agenda

The wide-ranging implications of this study bear on the actions of a large number of stakeholders in Australian society. It will be for these stakeholders to consider how the current developments in the countries studied relate to their role, aspirations, and responsibilities.

However, in order to focus the implications of this study for discussion, we have set out below a possible core action agenda which addresses what we regard as the central implications of this study.

1 Forge local partnerships to link learning, skill, and innovation

Consultations should be initiated on the options for building local partnerships to link learning, skill and innovation strategies including the option of a national network of local *Learning and Skill Partnerships (or Learning, Innovation, and Skill Partnerships—LISPs).* Other ways of mobilising civil society to build partnerships and an innovative learning culture could be considered in these consultations and note should be taken of current initiatives such as the Victorian Learning Towns Network pilots. This process might lead to a national skill agenda (or a national skill and innovation strategy) to build Australia as an innovative learning society.

2 Review demand-side policies and skill needs of the new economy

The Australian National Training Authority, in consultation with other stakeholders, should initiate a review of demand-side policies to provide incentives for individuals, enterprises, and communities to invest in learning so as to meet the skill needs of the new economy. Meeting the distinctive skill needs of new economy industries would be a special focus of this review. The review would follow up on the current work of ANTA in marketing VET and would build on the research findings of the review. The review would have regard to the range of incentive, information, marketing, and technology policies discussed in this report and current research on innovative schemes to empower learners and increase demand such as entitlement schemes.

3 A strategic role for adult and community education

An important finding of this study relates to the strategic way adult and community education has been used in Sweden and other Nordic countries to build a learning culture, and the way ACE is now being used strategically in Britain for this purpose. Current developments in modern learning technologies, including the imminent arrival of digital television broadcasting in 2001, provide opportunities to reconsider the ACE role in building a learning culture in Australia. There would be much value if the Ministerial Council on Education, Training, and Youth Affairs (MCEETYA) were to establish a review of ways in which a more strategic role could be forged for the ACE sector in building a learning culture. This review should have regard to the current American review of technology and adult learning discussed in chapter 9, and developments such as the British University for Industry, and should combine stakeholders such as the ACE Task Force of MCEETYA and technology interests such as the Australian Broadcasting Commission.

4 Strengthen the roles of industry associations, unions, and other intermediary bodies

A further significant implication relates to the major role of industry associations, unions, and other intermediary bodies in all countries studied in building a learning culture.There is clearly a need to strengthen the action of these bodies in Australia and to foster an ethic throughout industry, unions, and community bodies that recognises a shared social and civic responsibility to build an enterprising learning culture to underpin a cohesive and competitive Australia. While this issue needs to be taken up by bodies such as the Australian Chamber of Commerce and Industry, the Business Council of Australia, and the Australian Council of Trade Unions, the role of government in supporting the action of these bodies, as occurs in the countries studied, also requires consideration.

5 Mobilising civil society to build a learning culture

While our proposal for (1) would represent a valuable start in mobilising civil society towards building an enterprising learning culture, the experience of the countries studied suggests that a range of measures is required. Ways of encouraging partnership development, as in Learning Cities and similar developments, need to be considered. There would be value in such options being considered in a conference as a first step. The development of new forms of public–private partnership, and the associated redefinition of roles, is one of the significant findings of this study where the implications for Australia need to be carefully considered.

6 Develop a mechanism to build a national framework for the fight against exclusion

Our discussion of exclusion points to the need for a national framework to focus partnership action in the fight against exclusion as is happening in some of the countries we studied. This is a central issue with major national significance which will require widespread consultations to build a consensus on a mechanism to forge such a national framework and instruments for monitoring progress. Options adopted in other countries include a green paper/white paper sequence or a national summit as with the National Innovation Summit. A national conference could help to clarify issues and roles.

7 Foster exchanges of information and experience

The initiatives in Victoria, Tasmania, and South Australia referred to above point to the growing need for mechanisms to foster the systematic exchanges of information and experience relating to strategies required to build a learning culture and society. This is a feature in Europe through the activities of the European Union, while in Britain the Department for Education and Employment has established a web site for lifelong learning with links to a range of programs and other sites. Australia is not well connected to international developments in lifelong learning, so that the work of bodies like OECD and the European Union, as well as national initiatives, is not disseminated in appropriate formats to the range of stakeholders in Australian society.

Much would be gained through the development of systematic arrangements to share information and experience. A minimum program might involve a lifelong learning web site linked to a body such as ANTA, the Department of Education, Training and Youth Affairs (DETYA), or NCVER, and structured so that national and international developments are constantly updated. A newsletter on current developments which is circulated to all stakeholders throughout Australia could also be produced. The development of such a lifelong learning information network should include schools, VET, higher education, industry associations, unions, local government, peak community bodies, as well as State Government and Commonwealth Government agencies. The current action arising from the

ANTA marketing initiative represents a useful start which needs to be extended.[9]

Strengthening action through 'joined-up' policies and initiatives

The priority now being given to forging an innovation culture in Australian industry highlights the need to link this development with concerted national action to extend lifelong learning in Australia and to create a learning culture in industry, in the education and training sectors, families, and in the community generally. This is an essential underpinning for a competitive and cohesive Australia in the context of twenty-first century conditions.

The experience of the countries examined in this study strongly argues for long-term perspectives, a deep understanding of the national culture, and concerted action through 'joined-up' policies which build synergies between multi-faceted, multi-level activities. New ways need to be found to join up policies and initiatives directed at lifelong learning, skill formation and maintenance, innovation in industry, the regenération of communities, and forging an innovative learning culture. This is a pressing need in such areas as the regeneration of country communities where learning strategies can be a catalyst for regeneration and revitalisation, as is happening in Britain, America, and elsewhere.

Cutting across departmental, ministerial, federal/State, and traditional public/private boundaries presents an awesome challenge for Australia. In a world of blur and exponential change, however, there is no option. The ultimate innovation challenge for Australia is building Australia as a competitive, humane, cohesive learning society in the conditions of the twenty-first century.

In all these areas of national aspiration, the current experiment to change the culture and build Britain as a competitive and just learning society provides a social laboratory of high interest which could hold significant lessons for Australia. The United States offers an alternative model with a different balance of public and private initiatives, but also with new forms of public and private partnership.

Our findings point to the significance of collaborative action at the local level as the theatre for the development of the values and habits to develop an innovative learning culture which will stimulate and sustain learning, enterprise, and innovation throughout Australian society. There is therefore a compelling case for initiatives which will provide incentives and support for such collaboration and partnership so that a thousand flowers may bloom throughout the land.

Notes

1 Paul Beranger, UNESCO.
2 Minister for Post-compulsory Training and Employment 2000.
3 Minister for Education, Tasmania 2000.
4 CEDEFOP 2000, p.129.
5 Drucker 1985, p.245.
6 OECD 2000a, p.12.
7 Ibid, p.16.
8 Secretary of State for Education and Employment 1998, 1999.
9 This includes a marketing skills and lifelong learning web site (www.anta.gov.au/lifelong/STRATEGY).

References

Andersen Consulting 1998, *Knowledge workers revealed*, Economist Intelligence Unit, Hong Kong.

ASTD (American Society for Training and Development) 1997, *Responding to workplace change: A vision for a system for continuous learning*, ASTD, Alexandria.

—— ——1999, *The 1999 ASTD state of the industry report*, ASTD, Alexandria.

—— ——2000a, *The 2000 ASTD international comparisons report*, ASTD, Alexandria.

—— ——2000b, *Into the future: A vision paper*, ASTD, Washington.

ASTD & National Governors' Association 1999, *The Commission on Technology and Adult Learning*, ASTD, Washington.

Basse, L, Cheney, S & Lewis, E 1998, 'Trends in workplace learning', *Training and Development*, vol.52, no.11, American Society for Training and Development, Alexandria, VA.

Bell, D 1978, *The cultural contradictions of capitalism*, Basic Books, New York.

Bisleth, O 1998, 'Learning boutiques', paper delivered to 1998 EU conference, Towards a Europe of Knowledge, Manchester, UK.

Bourdieu, P 1981, 'Le capital social: Notes provisoires', *Actes de la recherche en sciences sociales*, vol.31, pp.2–3.

Brown, A, Moerkamp, T & Voncken, E 1999, 'Facilitating progression to higher education from vocational paths', *European Journal of Education*, vol.34, no.2, June, pp.219–35.

CEDEFOP (European Centre for the Development of Vocational Training) 2000, *An age of learning: Vocational training policy at European level*, CEDEFOP, Thessalonika.

—— ——1999, *Window on VET Systems*, Country specific reports: Sweden, CEDEFOP, Thessalonika.

Centre for Human Resources, Brandeis University 1994, *Advancing the youth employability agenda*, Brandeis University, Waltham, Mass.

Cereq (Centre d'etudes et de recherches sur les qualifications) 1999, 'Factors in the spread of continuing training in the European Community', *Training & Employment*, no.35, Spring 1999.

CBI (Confederation of British Industry) 1995, *Realising the vision: A skills passport*, London.

—— ——1998a, *CBI's response to the 'Learning age' green paper*, CBI, London.

—— ——1999b, *In search of employability*, CBI, London.

—— ——1999c, *Investors in people: An agenda for action*, CBI, London.

Coleman, T 1988, 'Social capital in the creation of human capital', *American Journal of Sociology*, vol.94, supplement 595–120.

Conference Board 1999, *Turning skills into profit: Economic benefits of workplace education programs*, Conference Board, New York.

COSTAC (Commonwealth State Training Advisory Committee) 1991, COSTAC overseas mission to study developments in vocational education and training: country reports, AGPS, Canberra.

Council on Competitiveness 1998, *Winning the skills race*, Council on Competitiveness, Washington, DC.

Davenport, T & Prusak, L 1998, *Working knowledge,* Harvard Business School Press, Boston.

DfEE (Department for Education & Employment) 1994, *Learning towns: Learning cities,* Department for Education & Employment, Sheffield.

—— ——1997, *National adult education survey,* Department for Education & Employment, Sheffield.

—— ——1999a, *Evaluation of Learning Direct,* Department for Education & Employment, Sheffield.

—— ——1999b, *National learning targets action plan,* Department for Education & Employment, Sheffield.

—— ——1999c, *Pathways in adult learning,* Department for Education & Employment, Sheffield.

—— ——1999d, *Technology in education: An education and training development agenda towards 2000,* Department for Education & Employment, Sheffield.

—— ——1999e, *Ufl pathfinder prospectus,* Department for Education & Employment, Sheffield.

—— ——1999f, *The union learning fund,* Department for Education & Employment, Sheffield.

Departments of Commerce, Education and Labor & National Institute for Literacy 1999, *21st century skills for 21st century jobs,* Departments of Commerce, Education and Labor & National Institute for Literacy, Washington.

Department of Education 1999, *The condition of education,* Department of Education, Washington.

Department of Education & Department of Labor 1998a, *School to work progress measures,* Department of Education & Department of Labor, Washington.

—— ——1998b, *Implementation of the 'School-to-work opportunities act 1994': 1998 report to Congress,* Department of Education & Department of Labor, Washington.

Department of Labor 1998, *Workforce investment act of 1998,* Department of Labor, Washington.

Dohmen, G 1997, 'Lifelong learning—the key to a new education policy in Germany', *Lifelong Learning in Europe,* 2/1997.

Down, T 1999, 'Developing skill policies in six countries', (unpublished paper), London.

Drucker, P 1985, *Innovation and entrepreneurship,* Butterworth-Heinemann, Oxford.

Dyke, G 1999, *An education vision for the BBC,* BBC, London.

European Round Table of Industrialists 1995, *Education for Europeans,* Towards the Learning Society, Brussels.

European Union 1997a, *General report, section 5, employment and social policy,* EU, Brussels.

—— ——1997b, *Green paper, partnership for a new organisation of work,* EC, Brussels.

—— ——1999, *Formation continue en enterprise,* EC, Brussels.

Federal Ministry of Education, Science, Research & Technology 1997, *Vocational training in the dual system in Germany,* Bonn.

Fortune 1993, 'Welcome to the revolution', December 1993, pp.66–77.

'Free agent learner' 1999, *Training and Development,* American Society for Training and Development, August, pp.26–30.

Fukuyama, F 1995, *Trust,* Penguin Books, London.

Halal, W (ed.) 1998, *The infinite resource: Creating and leading the knowledge enterprise,* Jossey-Bass, San Francisco.

Halal, W & Taylor, K (eds.) 1999, *21st century economics,* St Martin's Press, New York.

Hall, C & Linkholm, C 1999, *Is America breaking apart,* Princeton University Press, Princeton, NJ.

Hall, P 1998, *Cities in civilization,* Weidenfeld & Nicolson, London.

Hampden-Turner, C & Trompenaars, F 1993, *The seven cultures of capitalism*, Doubleday, New York.

INSEE 2000, *Investir dans le formation continue*, INSEE, Paris.

Investors in People (UK) 1998, *Investing in people: How to get started*, DfEE, London.

ITCESTG (Information Technology, Communications and Electronics Skills Strategy Group) 1999, *Skills for the information age: Reports of the group 1998–1999*, DfEE, Sheffield.

Kearns, P, McDonald, R, Candy, P, Knights, S, & Papadopoulos, G 1999, *VET in the learning age*, vol. 1, NCVER, Adelaide.

Knack, S & Keefer, P 1997, 'Does social capital have an economic payoff?' *Quarterly Journal of Economics*, vol. 112, no.4, pp.1251–88.

Koch, R & Reuling, J 1994, *Vocational education in Germany: Modernisation and development*, OECD, Paris.

Leadership Group 1999, *Skills for a new century: A blueprint for lifelong learning*, Department of Labor, Washington.

Lutz, C 1994, 'Prospects of social cohesion in OECD countries', in *OECD societies in transition*, OECD, Paris.

Maguire, M, Maguire, S & Felstead, A 1993, *Factors influencing individual commitment to lifetime learning: A literature review*, Employment Department, Sheffield.

Marquardt, M & Reynolds, A 1994, *The global learning organisation*, Irwin, Burr Ridge.

Max Groote Export Centre & Netherlands Economic Institute 1998, *Alternative approaches to financing lifelong learning: The Netherlands country report to OECD.*

Minister for Education Tasmania 2000, *Learning together*, Education Department, Hobart.

Minister for Post-compulsory Education, Training and Employment, Victoria 2000, press release 19th May 2000, Melbourne.

Monks, J 1998, 'Promoting active citizenship and social inclusion in civil society at work', (chair's opening remarks), EU conference, Towards a Europe of Knowledge, Manchester, UK.

Moser Working Group 1998, *Fresh start, report of the working group on adult basic skills*, DfEE, Sheffield.

NAGCELL (National Advisory Group for Continuing Education and Lifelong Learning) 1997, *First report: Learning for the twenty-first century*, DfEE, Sheffield.

—— —— 1999, *Creating learning cultures: Next steps in achieving the learning age*, second report, DfEE, Sheffield.

National Alliance of Business 1999a, *Work America*, vol. 16, no.6, July.

—— ——1999b, *Work America*, vol. 16, no.3, March.

National Employer Leadership Council 1999, *Intentions confirmed*, National Employer Leadership Council, Washington.

National School-to-Work Opportunities Office 1998, *School to work progress measures*, Govt. Pr., Washington.

National Telecommunications and Information Administration 1999, *Falling through the net: Defining the digital divide*, Department of Commerce, Washington.

Nonaka, I & Takeuchi, H 1995, *The knowledge-creating company*, Oxford University Press, New York.

National Skills Task Force 1998, *Towards a national skills agenda (First report)*, DfEE, Sheffield.

—— ——1999, *Skills for the information age (Second report)*, DfEE, Sheffield.

—— ——1999, *Tackling the adult skills gap: Upskilling adults and the role of workplace learning (Third report)*, DfEE, Sheffield.

—— ——2000, *Skills for all: Proposals for a national skills agenda*, DfEE Sheffield.

OECD (Organisation for Economic Co-operation and Development) 1975, *Recurrent education: A strategy for lifelong learning*, OECD, Paris.

—— ——1994a, *OECD societies in transition*, OECD, Paris.

—— ——1994b, *Vocational education and training for youth: Towards coherent policy and practice*, OECD, Paris.

—— ——1994c, *Vocational training in the Netherlands*, OECD, Paris.

—— ——1995, *Sweden: Reviews of national policy for education*, OECD, Paris.

—— ——1996a, *Lifelong learning for all: Report of the meeting of the Education Committee at Ministerial level*, OECD, Paris.

—— ——1996b, *Successful services for our children and families at risk*, OECD, Paris.

—— ——1998a, *Education indicators at a glance*, OECD, Paris.

—— ——1998b, *Education policy analysis 1998*, OECD, Paris.

—— ——1998c, *Human capital investment: An international comparison*, OECD, Paris.

—— ——1999a, *Employment outlook*, OECD, Paris.

—— ——1999b, 'Improving student motivation for lifelong learning' (unpublished), Paris.

—— ——1999c, 'Knowledge management in the learning society' (unpublished), Paris.

—— ——1999d, 'Lifelong learning: Reducing the risk of under-investment in adults' (unpublished), Paris.

—— ——1999e, 'New enterprise work practices and their labour market implications', in *OECD employment outlook*, June, OECD, Paris.

—— ——1999f, *The role of human and social capital in sustained economic growth and development: Progress and proposals for future work*, CERI/CD (99) 9, pp.3–4.

—— ——1999g, 'Technology in education: Trends, investment, access and use', in *Education Policy Analysis 1999*, OECD, Paris.

—— ——1999h, 'Training of adult workers', in *OECD Employment outlook*, June, OECD, Paris.

—— ——1999i, *Innovating schools*, OECD, Paris.

—— ——2000a, 'Learning cities and regions: Intermediate report' (unpublished), Paris.

—— ——2000b, *Thematic review of the transition from initial education to working life: Final comparative report*, (forthcoming), OECD, Paris.

—— ——2000c, *Synthesis of country reports on alternative approaches to financing lifelong learning* (forthcoming), OECD, Paris.

Organisation for Economic Co-operation and Development & Statistics Canada 1995, *Literacy, economy and society: Results of the First International Adult Learning Survey*, OECD, Paris.

Office of Technology Policy 1999, *The digital workforce: Building infotech skills at the speed of innovation*, Department of Commerce, Washington.

Pestoff, V 1999, 'Social enterprises and civil democracy in Sweden', in *21st Century Economics*, Halal, W & Taylor, K (eds.), St Martins Press, London.

Policy Action Team 15 2000, *Closing the digital divide: Information and communication technologies in deprived areas*, DfEE, Sheffield.

Portes, A 1998, 'Social capital: Its origins and application', *Modern Sociology, Annual Review of Social Sciences*, pp.1–24.

Putnam, R 1993, *Making democracy work: Civil traditions in modern Italy*, Princeton University Press, Princeton, N.J.

RSA (Royal Society for the Encouragement of Arts, Manufactures and Commerce) 1998, *Redefining work*, RSA, London.

Secretary of State for Education and Employment 1998, *The learning age: A renaissance for a new Britain*, DfEE, Sheffield.

—— ——1999, *Learning to succeed: A new framework for post-16 learning*, DfEE, Sheffield.

Secretary of State for Trade and Industry 1999, *Our competitive future: Building the knowledge-driven economy*, DTI, London.

Sohlman, A 1998, *The culture of adult learning in Sweden*, OECD, Paris.

SWA Consulting 1999, *Evaluation of early individual learning account development activity*, DfEE research report no.123, DfEE, Sheffield.

Thurow, L 1996, *The future of capitalism*, William Morrow & Co, New York.

Trompenaars, F 1993, *Riding the waves of culture*. Nicholas Brearley, London.

Appendix 1

The policy approach of Britain to building a learning and training culture

Following is a summary of policies and strategies adopted by Britain designed to build a learning culture and society. Policies are matched with the categories of the analytical framework adopted for this study. Britain provides a good practice example of a concerted approach to building a learning society with comprehensive 'joined-up' policies which link social, cultural, and economic objectives. The British approach can be viewed as providing a number of benchmarks for evaluating the current Australian situation in building a learning culture in a country with many similarities in the inherited culture and traditions.

Integrating policy and concerting action

A comprehensive approach has been adopted with concerted measures across all sectors of education and training, and with links to other sectors of economic and social policy. The approach adopted includes the establishment of national learning targets to be achieved by 2002. Key aspects include a national vision set out in a government green paper which was followed by structural reforms announced in a 1999 white paper.

The approach adopted emphasises collaboration and partnerships with all stakeholders as active partners. The battery of policies listed below are being used to give effect to this objective. Co-ordination occurs at local, regional, and national levels through the structures listed in Infrastructure below. Monitoring progress towards achievement of the national learning targets enables progress to be assessed.

- February 1998 green paper *The learning age* enunciated vision and national objectives.
- June 1999 white paper *Learning to succeed: A new framework for post-16 learning* announced structural reforms directed at greater coherence in post-16 learning.
- National learning targets have been set to be achieved by 2002 across all sectors of education and training including learning in industry.
- The National Advisory Group for Continuing Education and Lifelong Learning (NAGCELL) provides advice on directions.

- Policy for higher education, schools, and further education is co-ordinated with national learning objectives.
- A transition plan has been devised.

Infrastructure

Policies and strategies have been established to develop institutions, partnerships, networks, and systems to support continuous learning on a whole-of-life basis. A priority has been to develop infrastructure to foster local collaboration and partnership. This infrastructure includes a national network of Lifelong Learning Partnerships, a network of local Learning and Skills Councils which will replace the Training and Enterprise Councils (TECs), and a network of Learning Cities. Other programs have used existing infrastructure, such as unions and community bodies, to contribute to national learning objectives through special funding. The 'joined-up' policy approach provides links across sectors; for example, Learning and Skills Councils will link to the work of Regional Development Agencies.

- A mandated system of local Lifelong Learning Partnerships has been established to identify local learning and skill needs, to advise the Learning and Skills Councils on these needs, and to provide a forum for dialogue and collaboration.
- A national network of some 50 Learning and Skills Councils will replace the TECs with a national Learning and Skills Council at the centre. The new councils will take over TEC functions, fund further education, and have a role in the development of adult and community education.
- A network of some 40 Learning Cities has been supported by government in various ways.

Foundations

Britain has developed policy to establish the foundations for lifelong learning for all both through school reform to ensure essential foundations, and through initiatives to address the needs of a large proportion of the adult population lacking literacy and other essential skills.

School reform has involved a combination of measures to achieve national learning targets, and support for school improvement. A series of white papers has set directions for reform: *Excellence in schools* and *Investing in young people.* (This provided a national strategy for the 16–18-age group.) A learning card has been implemented to provide incentives for young people to continue learning while key skills have been emphasised.

In the case of adults, the Moser Working Group developed proposals to address adult literacy and numeracy deficiencies. The government has responded to these and announced a three phase strategy.

- *Excellence in schools,* white paper
- *Investing in young people,* white paper (16–18-year-age group white paper)
- learning card

Information and marketing

A mix of strategies has been adopted which involves both national and local initiatives. Information for learners is available through a national dial-in system (Learning Direct) which is now part of the University for Industry. A national campaign, the Campaign for Learning, is supported by both government and industry with special events a feature. A key aspect is marketing through existing networks such as unions and community bodies. Special funding programs support this action.

At a local level, partnership structures have a key role. These include the networks of Lifelong Learning Partnerships and Learning Cities. National learning targets are addressed in local areas through such partnerships.

- Learning Direct is a national telephone information system.
- Campaign for Learning is a national campaign with special events.
- Networks of unions, Lifelong Learning Partnerships, community bodies, Learning Cities all play an important role.

Incentives

Policies for incentives address both intrinsic and extrinsic motivation for participation. A scheme of individual learning accounts aims to motivate people to invest in their own lifelong learning while the learning card provides similar motivation for young people. In the case of employers, the Investors in People (IIP) campaign has been built into national learning targets to be achieved by 2002. Support is provided for small firms in meeting the IIP standard. The NAGCELL advisory group recently recommended that financial incentives be available to employers to provide basic skills training and workforce learning centres.

- individual learning accounts
- Investors in People as employer standard
- learning card
- NAGCELL proposals for financial incentives

Access

Access is an overarching policy objective which links to the range of policy instruments used. The University for Industry with its national network of learning centres will have a special role. Further education places have been expanded to provide for increased participation. Local partnerships (Lifelong Learning Partnerships, Learning and Skills Councils, Learning Cities) will play a key role in achieving national participation locally.

- University for Industry and network of learning centres
- local networks to promote national learning targets
- links to range of policy instruments

Role of technology

Technology is a key instrument for building a learning culture. Developments include the University for Industry and the National Grid for Learning which is directed at producing quality learning materials. Digital television has an important role in addressing particular learning needs such as computer literacy.

- University for Industry
- National Grid for Learning for on-line learning and teaching materials
- BBC Knowledge as digital television educational channel

Private sector practices

Industry is an active partner in initiatives to build Britain as a learning society with the Confederation of British Industry actively supporting initiatives. The IIP standard has been built into the national learning targets to be achieved by 2002. Employers will provide membership and leadership for the local Learning and Skills Councils. The targets to be achieved by 2002 involve the following.

- 45 per cent of medium-sized enterprises to be recognised Investors in People by 2002.
- 10 000 small firms to be recognised Investors in People by 2002.

Appendix 2

The Swedish approach to building a learning culture

The distinctive Swedish approach to building a learning and training culture is deeply embedded in Swedish history and political, social, and economic development over the past century. At the same time, several significant shifts have occurred over the past fifty years which, in important respects, have anticipated policy developments now being taken up in other OECD countries, including the key role of action taken at the local level, and a partnership philosophy which underpins a consensual approach to education and training policy. The Swedish way also illustrates the strategic use of adult and community education in opening and maintaining learning pathways.

The Swedish way towards a learning society

A useful overview of the 'Swedish way' to building a learning society was provided in the background report prepared by the Swedish education authorities for the 1995 OECD review of Swedish education policy. This report outlines key features of the Swedish approach which include the influence of the concept of recurrent education since the late 1960s, the strong equity objectives of policy, the key role of adult education, the links between education and vocational training, and a commitment to continuous improvement. Overall, investment in education and training for all citizens has been a foundation for constructing the Swedish model of a welfare society.

The strong Swedish commitment to the development of the individual provides a ready link between the philosophy and values underpinning development of the education system, and the human resource practices adopted in industry. This leads to an ethic of 'socially oriented individualism', one of the strengths of Swedish democracy and its economy, and which is expressed in the culture of adult learning found in Sweden.

The key role of adult education and training

The key role played by adult education and training is perhaps the most distinctive feature of the Swedish journey towards a learning society. There have been three major strands in the development of adult education and training in Sweden:

- the popular movements and popular adult education
- the active labour market policies and the tripartite responsibility for employment training
- the objective of recurrent education at school and higher education levels

These influences are deeply embedded in Swedish democracy and have led to one of the highest participation rates in adult education and industry training in OECD countries. As this Swedish system has evolved, it has led in the direction of building a system for lifelong learning.

An important influence in Sweden's progress towards a learning society has been the continuity in development towards well articulated goals. Except for two brief periods (1976–82 and 1991–94) Swedish governments have been dominated by the Social Democrat party, in alliance with the trade unions, with both committed to the role of education in underpinning the welfare state.

There is both continuity and change in the Swedish approach which has accompanied ongoing societal transformation. The popular movements of the late nineteenth century produced the folk high schools and led to the important role of study circles. From the beginning there was provision for both general education and various forms of specific training so that artificial distinctions between general and vocational education found in Australia and other Anglo-Saxon countries have been avoided. This is a significant strength of the Swedish learning culture.

Sweden also pioneered the concept of active labour market policy underpinned by a consensual approach adopted by the social partners. This approach can be traced back to the Saltsjobaden agreement of 1938 which provided a basis for co-operation rather than conflict between the social partners.

The evolution of consensual active labour market policies and programs in Sweden over the past sixty years has embedded the roles and responsibilities of the social partners in the 'Swedish way'. This means, for example, that there is a well-understood sense of the obligations of employers in providing workers with specific training needed by jobs. It is common for collective bargaining agreements to include provision for staff development at work. This system is strengthened by the *Educational leave act* of 1974 which provides all employees with a right to individual educational leave in any form of organised adult education. Most students are entitled to study assistance of some sort financed by government.

Recurrent education and local action

Sweden also undertook pioneering work in the 1960s in developing the concept of recurrent education which was seen as a strategy for lifelong learning and which influenced OECD work on lifelong learning in the 1970s. This phase of lifelong learning was mainly directed at equity objectives following a period of major expansion of formal education.

This concept involved the proposition that the distribution of education should be spread over the lifespan of an individual in a recurring way instead of the 'front-end model' with education preceding work in the lifecycle. This concept led to interest in such issues as paid educational leave and the concept of a 'youth guarantee' which Sweden pioneered. This interest also resulted in the

1977 higher education admission scheme which opened admission to adults not possessing the usual school leaver qualifications.

This development in Sweden also led to the recognition of the need to strengthen adult education and training provision, resulting in 1968 in the introduction of Municipal Adult Education (Komvux). The municipalities have a legal obligation to provide basic education to all adults lacking such an education and they are required to meet the demand for secondary education for adults.

Since 1991, the implementation of municipal adult education has been the responsibility of the municipalities. The government sets national goals and targets which are implemented at the local level and evaluated at both local and national levels. Funding for this municipal role comes from the block grants given for the overall funding of municipal activities.

Policy shifts and decentralisation

By the mid-1970s, the former faith in central planning and top-down reform strategies was wavering. This led to moves towards increased devolution of authority to local communities and more freedom to education institutions to handle their own affairs. The reforms in this period included the abolition of the National Board of Education, the transfer of block grants to the municipalities, and the restructuring of upper secondary education.

While Sweden has adopted a policy of decentralisation to local municipal authorities since the mid-1970s in order to better meet local needs and to infuse a new dynamism into the system, there has been a careful definition of local and national roles in order to balance local and national needs. The national role has become increasingly defined as to what should be achieved and to monitor outcomes.

The 1980s and 1990s saw a period of questioning of the Swedish approach to the welfare state. However, there are grounds for taking the view that the long era of social consensus forged the foundations of the Swedish approach to building a learning culture with well understood responsibilities of individuals, employers, unions, communities, and government. The Adult Education Initiative (AEI), which is discussed below, can be seen as the next phase in strengthening Sweden as a learning society.

The Adult Education Initiative

In 1997 the Swedish Government decided that adult education and training should be further strengthened through a special five-year program. This Adult Education Initiative was an important element in the government's strategy to halve unemployment by the year 2000, but was also seen as a joint effort of national and local government to bring about a comprehensive expansion of knowledge.

The target group for AEI is unemployed people, and those who have not completed their secondary education. Provision is arranged and supervised through the municipalities. A key aspect of AEI is that it marks a further stage in the development of the role of local authorities in providing a local infrastructure for adult education and skills development. This role was described in a Swedish report for the EU training centre (CEDEFOP) in the following terms.

> *From having organised schooling and adult education in the more traditional sense, local authorities are now changing their role to that of establishing new infrastructure for learning and skills development. AEI will serve as an important tool to develop workplaces and employment in the local community.*[1]

A related objective involves the role of AEI in the reform and revitalisation of adult education and training. AEI is seen as an investment which will lead to a new, reformed system of adult education that is better adapted to the needs of individuals, industry, and society in the twenty-first century.

The access objectives of AEI require a spectrum of strategies to support marginal participants in gaining a stronger foothold in the world of learning. These methods include more efficient outreach activities, individual study plans and stronger counselling and guidance. Existing methods and networks of popular adult education will be brought into the new approach.

Outcomes

The outcomes of the Swedish path to building a learning culture and society were summed up by As a Sohlman in a paper, *The culture of adult learning in Sweden* in the following terms.

> *At a more general level one may say that the tripartite commitment to economic development—by the government, the unions and employers—created a learning rich environment where literacy was practised both in civil society and at work. A good circle was created where more education made more advanced work organisations possible which in turn created more opportunities to develop new skills and maintain old ones.*[2]

This virtuous circle towards a learning culture and society is reflected in participation statistics for Sweden which show that Sweden has one of the highest participation rates in education and training among OECD countries and with high levels of literacy in the adult population.

- The International Adult Literacy Survey showed that Sweden had the highest mean achievement score for adult literacy and educational achievement for a group of 13 OECD countries.
- A study by the French research centre Cereq using European Union survey data showed that Sweden was one of three top countries (all Nordic countries) for continuing training for both employer initiatives and individual initiatives.

- OECD statistics for 1994 showed that Sweden had the highest spending on education and research in relation to national income of a group of 26 OECD countries.
- OECD statistics for 1994–95 showed that Sweden had the highest participation by adults aged 25–64 in continuing education and training for both employed and unemployed adults of a group of 11 leading OECD countries.
- The International Adult Literacy Survey showed that Sweden had the highest proportion of workers aged 16–65 with high literacy levels (levels 4 & 5) and the lowest proportion with low literacy levels (levels 1 & 2) in a group of 13 OECD countries.

Notes

1 CEDEFOP 1999.
2 Sohlman 1998.

Appendix 3

The Netherlands way to building a learning and training culture

The Netherlands approach to building a learning and training culture reflects the pluralistic and consultative nature of Dutch society with its tradition of consensus-based decision-making. This approach results in the substantial involvement of the social partners in both policy development and administration, with the industrial relations system having a major influence on training in industry so that a large proportion of the workforce comes under collective bargaining agreements which specify training funds or training agreements.

As with all countries we examined, the Dutch approach reflects the historical experience of the Netherlands. One consequence is the so-called *verzuiling* (pillarisation) of Dutch society which results in ideological blocks or pillars, often on the basis of religion, instead of the common class social strata found in other OECD countries such as Britain and Australia. This has led to the pluralistic and consultative themes which characterise the Dutch policy culture, and to a 'harmony model' which signalled the Dutch political climate in the postwar years.

These characteristics are pervasive throughout Dutch society. Hampden-Turner and Trompenaars concluded from their survey of seven capitalist cultures 'that the Dutch are more egalitarian and less hierarchical than any culture in our survey'.[1] This quality is reflected in Dutch enterprises having a flatter structure with more decentralisation than the other cultures surveyed by Hampden-Turner and Trompenaars with firms such as Shell, Unilever, and Philips notable for the high degree of local autonomy given in the countries where they operate.

These features of Dutch society have inevitably conditioned the Dutch approach to building a learning and training culture. Like Sweden, this process has been evolutionary with incremental advances and with extensive consultations and active involvement of the social partners in each phase of development. A special feature of Dutch development is the way the Dutch mediate between individuality and community, which distinguishes them from Britain, America, and Australia. These features include extensive efforts which are often invested into negotiating among principled positions. The Dutch interest in values, and the high status afforded to knowledge and expertise, is a considerable advantage in the emerging knowledge-based economy.

The Dutch approach is of particular interest in a successful economy, dependent on export earnings, with relatively low unemployment, and with high levels of qualifications compared to the OECD and European Union average, and with a flexible labour market. Combined with the egalitarian texture of Netherlands society, the 'Dutch way' illustrates an interesting balancing of economic, educational, and social objectives.

Reform of vocational training

The reform of vocational training in the Netherlands was featured by extensive policy debates over the period 1968–91 in an effort to build a consensus on directions for change. A key aspect has been a growing emphasis to bridge the gap between general and vocational education. This has included strengthening the vocational element in university programs and providing for more parity of esteem. The 1963 *Secondary education act*, which came into operation in 1968, established that general and vocationally oriented education were to be regarded as complementary parts of a single coherent whole with a common purpose.

This intensive national debate on VET over more than two decades led to the 1996 law on vocational education and training which was directed at a more coherent infrastructure for VET and adult education by:

- placing the post-16 vocational education route and the apprenticeship route on a common footing
- offering a set of new courses covering vocational content, opportunities for progression to further and higher education and a socio/cultural content
- the development of strong and relatively independent regional centres (RCDs), amalgamating existing colleges and adult education establishments. Special attention was also paid to the high dropout rate (about 30 per cent) from post-16 education

The national knowledge debate 1996–97

A significant stimulus towards directions for developing the Netherlands as a learning society was given by a national 'knowledge debate' initiated by government in 1996. The national debate on future directions addressed questions such as: What will society look like in the year 2010? What will we need to know and be able to do to function effectively in that society? What measures need to be taken now so that we will have the necessary knowledge?

Lifelong learning was brought into the centre of this national debate with issues raised on the role of stakeholders (individuals, unions, employers, community bodies) in ensuring lifelong learning. The responsibility of individuals to maintain their employability was a key theme in the debate. Options for action by governments, employers, and individuals were discussed in the debate.

National program for lifelong learning

The outcomes of the national knowledge debate were presented to the government in 1997 which responded by initiating a national program for lifelong learning with three action clusters.

These were:
- employability of employees and job seekers
- employability of teaching staff
- prevention of disadvantage and re-orientation of the education system towards lifelong learning

A range of measures has been adopted to foster the employability of employees and job seekers. A network of regional and local employability advisers has been established to give information and advice. Various incentives have been offered to employers to invest in the training of their staff.

All political parties support these lifelong learning objectives and a range of proposals for further action have been proposed. This interest has stimulated innovations such as the small/medium enterprises (SME) pathways project discussed below.

Foundation learning

In line with OECD guidelines, foundation learning focusses on the upper secondary stage. A feature of Dutch upper secondary schooling (like Sweden) is that the majority of students are in vocational streams rather than in general secondary education. In 1995, 31.5 per cent of enrolments were in general secondary education at the upper secondary level while 68.5 per cent were in vocational secondary education. Of those in the vocational stream, 47.5 per cent attended vocational education in schools while 21 per cent were in apprenticeships. The strong enrolments in the upper secondary level in vocational streams mean that the Netherlands, like Sweden, is well placed to balance and harmonise general and vocational elements in the pathway to a learning society.

Access strategies

The Netherlands has established a range of access strategies in order to facilitate participation by disadvantaged groups. These have included:
- the role of the Open University
- a range of other second-chance options
- strengthening links between work and learning with options such as the SME pathway and co-operative learning

The national program for lifelong learning, announced in 1997, was directed at strengthening these strategies in a number of ways.

The Open University was established in 1984 to make distance higher education more accessible for adults and to stimulate innovation in delivery strategies. There are no admission requirements other than a minimum age of 18. Students devise their own programs to a large extent.

Strengthening links between work and learning is a particular feature of the Netherlands scene. This has led to a number of innovative programs which include co-operative education and the SME pathway.

Co-operative education involves a form of work-based learning in higher vocational education. After the initial year of full-time education at an institution of higher vocational education, students alternate periods of study with periods of paid work. Students are required to work at least 16 months full-time during their period of study. While this lengthens the period of study, students are more job-ready, and have developed vocational skills while still undertaking study.

In 1995 the employers' federation for small and medium enterprises (MKB Nederland) and the representative organisation for higher vocational education (HBO-Council) signed a covenant directed at a closer relationship between the two sectors. This covenant led to an experiment in work-based learning known as the SME pathway. Under this scheme students spend their initial three years of higher education in an institution but then spend the fourth year in a SME firm. This work-based component can last from one to three years.

These innovations in work and learning are directed at forging partnerships and a closer relationship with industry. Individuals, institutions, and employers gain.

The egalitarian flavour of Dutch society is reflected in the role of incentive policies for particular groups such as older workers, long-term unemployed, and women returning to the workforce. It is also expressed in the current debate on a minimum starting qualification for everyone.

Financial incentives

In addition to the strategies discussed above, a number of financial incentives are used directed at both employers and individuals.

Employers are able to deduct training costs from profits as a taxation incentive while individuals may also deduct educational expenses from taxation. This incentive for employers is targetted in particular at the SME sector. It has also been proposed that an existing 'save as you earn' scheme be targetted at training by defining training and educational leave as 'saving' goals, and by increasing the amount that can be saved free of tax.

In addition to these incentives, the Netherlands has a number of levy and grant schemes which exist in particular industry sectors, and which usually have a basis in collective bargaining agreements. These funds provide a basis for industry-wide training schemes which engender better co-operation between firms in the sector and which have been used to make industry training more responsive to changing conditions.

The Foundation Training and Development Fund for the Metalworking Industry (stichting OOM) illustrates the operation of these negotiated sectoral schemes. OOM was set up in 1984 under the terms of a collective agreement through co-operation between employers and unions in the industry. Collective agreements under the OOM framework cover such aspects as eligibility of employers for subsidy from the OOM. In recent years OOM has been used to promote apprenticeships in the metal industry, as well as training of the unemployed, and updating training.

The OOM fund is governed on an equal footing by representatives of employers and unions, and both parties contribute to the fund. All employers in the sector are obliged to contribute 0.55 per cent of the firm's total wage bill to the fund. This includes 0.25 per cent for apprenticeship training, 0.2 per cent for continuing training and 0.1 per cent to promote employers' schemes.

This scheme has the merit that the whole industry supports apprenticeship training, while the OOM fund can be used flexibly to promote particular developments in continuing training. It provides a way of involving small and medium enterprises in training and stimulates collaborative arrangements. Apprenticeship training is supported in a number of ways and, in addition to a government subsidy for an apprentice, a further OOM subsidy is available.

Innovation and partnership

Like Sweden, the Netherlands draws strength from a range of partnerships that support learning. A particular strength is the simple and direct connections between industry sectors and the education and training sectors. Innovation in VET and adult education is stimulated by the influential role of the Centre for Innovation in Vocational and Adult Education.

The Dutch scene is also characterised by a plethora of new initiatives. In addition to those mentioned above, the Study House Initiative promotes active and autonomous learning, and provides learners with customised programs. Other bodies such as the Consortium for Innovation in Higher Education foster this quality of innovation in Dutch society.

General comment

While the Netherlands shares a number of the characteristics with Sweden and the other Nordic countries in the approach adopted to building a learning culture and society, there are a some distinctive features in the Dutch model which provide further insights into strategies for building a learning society. These are deeply embedded in the consultative and consensual habits and arrangements of Dutch society so that a number of interesting collaborative and partnership developments may be observed in the Dutch scene.

These include some innovative ways of building industry/education partnerships, addressing the training needs of the SME sector, and of providing industry-wide collaboration in training through negotiated levy and grant schemes such as OOM. The Dutch approach to OOM and similar schemes illustrates how apprenticeship training can be strengthened on the basis of the collective responsibility of an industry sector.

The egalitarian nature of Dutch society is reflected in the spectrum of measures that are in place to foster access, and the range of incentive schemes that are available for both employers and individuals. Overall, the picture emerges of a country responsive to changing economic and social conditions and addressing these in a systematic manner. The Dutch concern with values and principled positions is a real advantage in the emerging knowledge-based economy and overall conditions of the twenty-first century.

Note

1 Hampden-Turner and Troupenaars 1993, p.269.

Appendix 4

Factors in the spread of continuing training in the European Union

The French research agency Cereq (Centre d'etudes et de recherches sur les qualifications) in 1999 undertook an analysis of factors which influenced the spread of continuing training in the European Union (EU). EU data was used with a focus on government policies.

The study distinguished initial vocational training and continuing training and used a matrix for employer initiated and individual initiative. The findings of this study are shown in the tables over.

The mapping of table A1 for continuing training showed three distinct groups of countries according to the volume of employer-initiated training. The Nordic countries (Sweden, Denmark, Finland) were assessed as having a strong performance for both employer and individual initiatives.

A number of interesting points emerged from this study which showed the strong influence of culture on the likelihood of investing in learning and training, along with certain economic influences. These included the following.

- the strong performance of the Nordic countries (Sweden, Denmark, Finland)
- the ambivalent position of Germany—while German firms invested heavily in initial vocational training through the dual system, they have a more limited investment in continuing vocational training
- the firms' field of activity influenced the intensity of training invested
  - in all EU countries the most training-oriented sectors have an activity characterised by high capital-intensity, state-of-art technology and/or highly skilled labour
- size of firm continues to be an influence although less in northern European countries

In observing the strong performance of the Nordic countries, Cereq commented on this performance in the following terms.

> *The Scandinavian countries have a strong tradition of lifelong learning and a very diversified continuing training supply that has no equivalent elsewhere in Europe. Equal access to education, along with moral and civic development, are essential factors in these societies.*[1]

The Cereq study noted that the individual took responsibility for their training and lifelong learning to different degrees in the countries included in the study. In Germany, Austria, and Luxembourg, education for personal development (bildung) was important as well as vocational/professional development. Maintaining employability with the rise of unemployment and radical structural change in the economy, was becoming a more significant incentive in these countries (as it is in countries such as the United States and Britain and generally throughout European Union countries).

Overall, the Cereq study pointed to continuing major disparities and inequalities in EU countries in continuing training, as reflected in table A1. The overall pattern is much the same as that which emerges from the Benchmarking Forum of ASTD, and other American sources, as discussed in chapter 10. Why countries such as Germany have invested heavily in initial vocational training but much less in continuing training is a key issue in the complex interaction of culture, policy, and economic influences.

Table A1: Continuing training in the European Community

Individual initiative	Employer initiative		
	Slight	Average	Strong
Limited	Italy Spain Greece Portugal	Ireland	
Moderate		Germany Austria Belgium Luxembourg	France
Widespread		Netherlands	United Kingdom
Strong			Denmark Finland Sweden

Source: Cereq 1999.

Table A2: Employer's role in initial vocational training and continuing training

Employers role Initial vocational training	Continuing training Weak	 Average	 Strong
Little importance	Spain	Belgium	Finland Sweden
Slightly formalised	Italy Greece Portugal		United Kingdom
Minority role, institutionalised		Ireland Luxembourg Netherlands	France
Dominant role, institutionalised		Germany Austria	Denmark

Source: Cereq 1999.

Note

1 Cereq 1999.